DOCUMENT RESUME

ED 319 106 EA 021 742

TITLE	Hearing on GAO Report on OSERS' Management. Hearing before the Subcommittee on Select Education of the Committee on Education and Labor. House of Representatives. One Hundred First Congress, First Session.
INSTITUTION	Congress of the U.S., Washington, D.C. House Committee on Education and Labor.
PUB DATE	7 Sep 89
NOTE	124p.; Serial No. 101-47.
PUB TYPE	Legal/Legislative/Regulatory Materials (090)
EDRS PRICE	MF01/PC05 Plus Postage.
DESCRIPTORS	*Administrative Organization; Administrative Policy; *Cost Effectiveness; Disabilities; Federal Government; Hearings; Organizational Effectiveness; Program Effectiveness; Public Agencies; *Quality Control; Rehabilitation; *Rehabilitation Programs; Special Education; *Vocational Rehabilitation; Vocational Training Centers
IDENTIFIERS	*Office of Spec Educ Rehabilitative Services

ABSTRACT

The proceedings of the hearing on the General Accounting Office's (GAO) report on the Office of Special Education and Rehabilitative Services (OSER) management include an opening policy statement by Major R. Owens, chairman of the Subcommittee on Select Education, and the expert testimony of two witnesses: William Gainer, the director of education and employment issues of the Human Resources Division of the GAO; and Dr. Robert Davila, the Assistant Secretary of OSER, in the Department of Education. Underscoring witness testimony is the issue of whether the Federal Government's agency responsible for oversight of OSER and the administration of human resources programs involving the expenditure of $3.7 billion for people with disabilities will be effectively managed and the maximum use of these dollars obtained. Prepared statements, letters, hearing transcripts, and supplemental materials such as charts, figures, and graphs accompany the testimony and comprise the bulk of this report. (JAM)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED319106

SA

HEARING ON GAO REPORT ON OSERS' MANAGEMENT

HEARING

BEFORE THE

SUBCOMMITTEE ON SELECT EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

HEARING HELD IN WASHINGTON, DC, SEPTEMBER 7, 1989

Serial No. 101-47

Printed for the use of the Committee on Education and Labor

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☒ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

U.S. GOVERNMENT PRINTING OFFICE

21-838 ⁰⁄₀ WASHINGTON : 1989

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

EA 021742

BEST COPY AVAILABLE

COMMITTEE ON EDUCATION AND LABOR

AUGUSTUS F. HAWKINS, California, *Chairman*

WILLIAM D. FORD, Michigan
JOSEPH M. GAYDOS, Pennsylvania
WILLIAM (BILL) CLAY, Missouri
GEORGE MILLER, California
AUSTIN J. MURPHY, Pennsylvania
DALE E. KILDEE, Michigan
PAT WILLIAMS, Montana
MATTHEW G. MARTINEZ, California
MAJOR R. OWENS, New York
CHARLES A. HAYES, Illinois
CARL C. PERKINS, Kentucky
THOMAS C. SAWYER, Ohio
DONALD M. PAYNE, New Jersey
NITA M. LOWEY, New York
GLENN POSHARD, Illinois
JOLENE UNSOELD, Washington
NICK JOE RAHALL II, West Virginia
JAIME B. FUSTER, Puerto Rico
PETER J. VISCLOSKY, Indiana
JIM JONTZ, Indiana
KWEISI MFUME, Maryland

WILLIAM F. GOODLING, Pennsylvania
E. THOMAS COLEMAN, Missouri
THOMAS E. PETRI, Wisconsin
MARGE ROUKEMA, New Jersey
STEVE GUNDERSON, Wisconsin
STEVE BARTLETT, Texas
THOMAS J. TAUKE, Iowa
HARRIS W. FAWELL, Illinois
PAUL B. HENRY, Michigan
FRED GRANDY, Iowa
CASS BALLENGER, North Carolina
PETER SMITH, Vermont
TOMMY F. ROBINSON, Arkansas

SUBCOMMITTEE ON SELECT EDUCATION

MAJOR R. OWENS, New York, *Chairman*

MATTHEW G. MARTINEZ, California
DONALD M. PAYNE, New Jersey
JAMES JONTZ, Indiana
AUGUSTUS F. HAWKINS, California
(Ex Officio)

STEVE BARTLETT, Texas
CASS BALLENGER, North Carolina
PETER SMITH, Vermont

BEST COPY AVAILABLE

CONTENTS

	Page
Hearing held in Washington, DC, September 7, 1989	1
Statement of:	
Gainer, William, Director, Education and Employment Issues, Human Resources Division, General Accounting Office; and Dr. Robert Davila, Assistant Secretary, Office of Special Education and Rehabilitative Services, Department of Education, statement of	9
Prepared statements, letters, supplemental materials, et cetera:	
Davila, Dr. Robert, Assistant Secretary, Office of Special Education and Rehabilitative Services, Department of Education:	
Letter dated June 30, 1989, to Hon. Tom Harkin, Chairman, Senate Subcommittee on the Handicapped, enclosing questions for the record and responses to same	48
Prepared statement of	40
Gainer, William, Director, Education and Employment Issues, Human Resources Division, General Accounting Office, prepared statement of	19
Owens, Hon. Major R., a Representative in Congress from the State of New York, prepared statement of	4

HEARING ON GAO REPORT ON OSERS' MANAGEMENT

THURSDAY, SEPTEMBER 7, 1989

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON SELECT EDUCATION,
COMMITTEE ON EDUCATION AND LABOR,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:40 a.m. in Room 2261, Rayburn House Office Building, Hon. Major R. Owens [Chairman] presiding.

Members present: Representatives Owens, Payne, Jontz, Bartlett, Ballenger, and Smith.

Staff present: Maria Cuprill, Gary Granofsky, Wanser Green, Pat Laird, Laurence Peters, and Bob Tate.

Chairman OWENS. The hearing of the Subcommittee on Select Education is now in session.

Today we have a simple panel of two witnesses. I want to welcome Dr. Robert Davila. I have been told by my staff that already the cool breezes of vitality and a sense of mission are beginning to waft through OSERS as a result of his appointment. The challenge and the opportunity to translate this sense of possibility into concrete actions and acomplishments is one we know you relish, and we likewise look forward to working with you to help to accomplish the goal we all share of providing programs that will enhance independence and productivity for our nation's citizens with disabilities.

I would also like to welcome and thank the General Accounting Office staff—Darlene Bell, Bill DeSarno, Bill Gainer, and Fred Yohey—for the work that they have done in investigating management practice within OSERS and its subunits in the past year and a half.

Mr. Gainer will summarize those findings this morning, with final publication of GAO's report expected late this month or early next month. The benefits of documenting conditions within the agency, both for this new administration and for the public, are obvious.

What is less obvious is that GAO has a long-term, ongoing commitment to and expertise in effective management practice throughout the Federal Government. This is not the first management survey GAO has done in recent years, and there has been progress in other departments of the Federal Government in identifying and improving management practices as a result of their work.

We view GAO as a valuable resource in the development of recommendations for constructive future actions. We will continue to consult closely with them in the months following publication of the report for their counsel on appropriate follow-up activities on these issues.

This morning's hearing represents the most recent in a series of activities undertaken by the Subcommittee on Select Education in connection with its oversight responsibilities over the Office of Special Education and Rehabilitative Services.

The issue that concerns us is whether the Federal Government's agency responsible for administering human resources programs, involving the expenditure of $3.7 billion for people with disabilities, will be effectively managed and the maximal use of these dollars obtained.

Conditions and opportunities for people with disabilities in our nation are changing rapidly. The Congress, with the full support of the Bush Administration, is making excellent progress towards passage of the "Americans with Disabilities Act of 1989," the New York Times editorial yesterday notwithstanding.

For the first generation of special children provided with public education under Public Law 94-142, finding employment has often proven to be a nightmare. The Americans with Disabilities Act, if properly implemented and enforced, will significantly reduce barriers to employment for the beneficiaries of Public Law 94-142.

Shrinking numbers of new entrants to the work force will also create job opportunities for people who have not always been viewed by employers as potential employees, notably people with disabilities.

If our special education and vocational rehabilitation programs are able to meet these challenges, we will increase the pool of talented individuals who can contribute to the strength of our economy and reduce public assistance expenditures which presently constitute the bulk of the Federal Government's expenditures for people with disabilities.

This subcommittee, through its past oversight hearings, has shown that proper monitoring of special education programs is not taking place. We know that quality technical assistance to vocational rehabilitation agencies, which could lead to enhanced employment opportunities for people with disabilities, has been woefully short in supply for many years.

The enactment and effective implementation of the Americans With Disabilities Act can, I believe, demonstrate the powerful effect that necessary new legislation can have, but, the "nuts and bolts" implementation of existing laws and programs is equally essential if we are to accomplish the significant progress we all desire.

In the near term, we must see the provision of quality special education and vocational rehabilitation programs as the wise investment in our future and expand funding for them. The provision of such services will help our society manage the gradual, yet extraordinary, shift in public attitudes toward people with disabilities that is taking place in our country.

Mainstreaming people with disabilities and framing public policies on the beginning assumption that their talents are resources

which should and must be drawn upon, rather than on the antiquated notions that see them as natural dependents, places new demands on our special education, vocational rehabilitation, and independent living programs. We must manage that transition effectively; that is going to take resourceful and wise leadership.

It is time to move forward aggressively to upgrade OSERS. The needs of people with disabilities, the overall health of our economy, and the quality of our civic life require a quantum leap forward in the professionalism and competence of this agency.

I have had the opportunity to meet Bob Davila, the new assistant secretary. I know that he shares this perspective. He will have an opportunity to quicken the pulse of this agency by helping to make it more effective and responsive to the needs of people with disabilities and to service providers.

[The prepared statement of Hon. Major R. Owens follows:]

OPENING STATEMENT OF MAJOR R. OWENS
CHAIRMAN, COMMITTEE ON SELECT EDUCATION
SEPTEMBER 7, 1989

DR. DAVILA, WE WELCOME YOU TO THIS HEARING. THE COOL BREEZES OF OPENNESS, VITALITY AND A SENSE OF MISSION ARE ALREADY BEGINNING TO WAFT THROUGH OSERS. THE CHALLENGE AND THE OPPORUTNITY TO TRANSLATE THIS SENSE OF POSSIBILITY INTO CONCRETE ACTIONS AND ACCOMPLISHMENTS IS ONE WE KNOW YOU RELISH, AND WE LIKEWISE LOOK FORWARD TO WORKING WITH YOU TO HELP TO ACCOMPLISH THE GOAL WE ALL SHARE OF PROVIDING PROGRAMS THAT WILL ENHANCE INDEPENDENCE AND PRODUCTIVITY FOR OUR NATION'S CITIZENS WITH DISABILITIES.

I WOULD ALSO LIKE TO WELCOME AND THANK THE GENERAL ACCOUNTING OFFICE STAFF -- DARLENE BELL, BILL DESARNO, BILL GAINER, AND FRED YOHEY -- FOR THE WORK THAT THEY HAVE DONE IN INVESTIGATING MANAGEMENT PRACTICE WITHIN OSERS AND ITS SUBUNITS IN THE PAST YEAR AND A HALF. BILL GAINER WILL SUMMARIZE THOSE FINDINGS THIS MORNING, WITH FINAL PUBLICATION OF GAO'S REPORT EXPECTED LATE THIS MONTH OR EARLY NEXT MONTH. THE BENEFITS OF DOCUMENTING CONDITIONS WITHIN THE AGENCY, BOTH FOR THIS NEW ADMINISTRATION AND FOR THE PUBLIC, ARE OBVIOUS. WHAT IS LESS OBVIOUS IS THAT GAO HAS A LONG TERM, ONGOING COMMITMENT TO AND EXPERTISE IN EFFECTIVE MANAGEMENT PRACTICE THROUGHOUT THE FEDERAL GOVERNMENT. THIS IS NOT THE FIRST MANAGEMENT SURVEY GAO HAS DONE IN RECENT YEARS, AND THERE HAS BEEN PROGRESS IN OTHER DEPARTMENTS OF THE FEDERAL GOVERNMENT IN IDENTIFYING AND IMPROVING MANAGEMENT PRACTICE AS A RESULT OF THEIR WORK.

WE VIEW GAO AS A VALUABLE RESOURCE IN THE DEVELOPMENT OF RECOMMENDATIONS FOR CONSTRUCTIVE FUTURE ACTIONS. WE WILL CONTINUE TO CONSULT CLOSELY WITH THEM IN THE MONTHS FOLLOWING PUBLICATION OF THE REPORT FOR THEIR COUNSEL ON APPROPRIATE FOLLOW-UP ACTIVITIES ON THESE ISSUES.

THIS MORNING'S HEARING REPRESENTS THE MOST RECENT IN A SERIES OF ACTIVITIES UNDERTAKEN BY THE SUBCOMMITTEE ON SELECT EDUCATION IN CONNECTION WITH ITS OVERSIGHT RESPONSIBILITIES OVER THE OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES. THE ISSUE THAT CONCERNS US IS WHETHER THE FEDERAL GOVERNMENT'S AGENCY RESPONSIBLE FOR ADMINISTERING HUMAN RESOURCES PROGRAMS, INVOLVING THE EXPENDITURE OF $3.7 BILLION, FOR PEOPLE WITH DISABILITIES WILL BE EFFECTIVELY MANAGED AND THE MAXIMAL USE OF THESE DOLLARS OBTAINED.

CONDITIONS AND OPPORTUNITIES FOR PEOPLE WITH DISABILITIES IN OUR NATION ARE CHANGING RAPIDLY. THE CONGRESS, WITH THE FULL SUPPORT OF THE BUSH ADMINISTRATION, IS MAKING EXCELLENT PROGRESS TOWARDS PASSAGE OF THE "AMERICANS WITH DISABILITIES ACT OF 1989." FOR THE FIRST GENERATION OF SPECIAL CHILDREN PROVIDED WITH PUBLIC EDUCATION UNDER PUBLIC LAW 94-142, FINDING EMPLOYMENT HAS OFTEN PROVEN TO BE A NIGHTMARE. THE AMERICANS WITH DISABILITIES ACT, IF PROPERLY IMPLEMENTED AND ENFORCED, WILL SIGNIFICANTLY REDUCE BARRIERS TO EMPLOYMENT FOR THE BENEFICIARIES OF PUBLIC LAW 94-142. SHRINKING NUMBERS OF NEW ENTRANTS TO THE WORK FORCE WILL ALSO CREATE JOB OPPORTUNTIES FOR PEOPLE WHO HAVE NOT ALWAYS BEEN VIEWED BY EMPLOYERS AS POTENTIAL EMPLOYEES, NOTABLY PEOPLE WITH DISABILITIES. IF OUR SPECIAL EDUCATION AND VOCATIONAL REHABILITATION

PROGRAMS ARE ABLE TO MEET THESE CHALLENGES, WE WILL INCREASE THE POOL OF TALENTED INDIVIDUALS WHO CAN CONTRIBUTE TO THE STRENGTH OF OUR ECONOMY AND REDUCE PUBLIC ASSISTANCE EXPENDITURES WHICH PRESENTLY CONSTITUTE THE BULK OF THE FEDERAL GOVERNMENT'S EXPENDITURES FOR PEOPLE WITH DISABILITIES.

THIS SUBCOMMITTEE, THROUGH ITS PAST OVERSIGHT HEARINGS, HAS SHOWN THAT PROPER MONITORING OF SPECIAL EDUCATION PROGRAMS IS NOT TAKING PLACE. WE KNOW THAT QUALITY TECHNICAL ASSISTANCE TO VOCATIONAL REHABILITATION AGENCIES -- WHICH COULD LEAD TO ENHANCED EMPLOYMENT OPPORTUNITIES FOR PEOPLE WITH DISABILITIES -- HAS BEEN WOEFULLY SHORT IN SUPPLY FOR MANY YEARS. THE ENACTMENT AND EFFECTIVE IMPLEMENTATION OF THE AMERICANS WITH DISABLITIES ACT CAN, I BELIEVE, DEMONSTRATE THE POWERFUL EFFECT THAT NECESSARY NEW LEGISLATION CAN HAVE. BUT, THE "NUTS AND BOLTS" IMPLEMENTATION OF EXISTING LAWS AND PROGRAMS IS EQUALLY ESSENTIAL IF WE ARE TO ACCOMPLISH THE SIGNIFICANT PROGRESS WE ALL DESIRE. IN THE NEAR TERM, WE MUST SEE THE PROVISION OF QUALITY SPECIAL EDUCATION AND VOCATIONAL REHABILITATION PROGRAMS AS THE WISE INVESTMENT IN OUR FUTURE AND EXPAND FUNDING FOR THEM. THE PROVISION OF SUCH SERVICES WILL HELP OUR SOCIETY MANAGE THE GRADUAL, YET EXTRAORDINARY, SHIFT IN PUBLIC ATTITUDES TOWARDS PEOPLE WITH DISABILIES THAT IS TAKING PLACE IN OUR COUNTRY. MAINSTREAMING PEOPLE WITH DISABILITIES AND FRAMING PUBLIC POLICIES ON THE BEGINNING ASSUMPTION THAT THEIR TALENTS ARE RESOURCES WHICH SHOULD AND MUST BE DRAWN UPON, RATHER THAN ON THE ANTIQUATED NOTIONS THAT SEE THEM AS NATURAL DEPENDENTS, PLACES NEW DEMANDS ON OUR SPECIAL EDUCATION,

VOCATIONAL REHABILITATION, AND INDEPENDENT LIVING PROGRAMS. WE MUST MANAGE THAT TRANSITION EFFECTIVELY; THAT IS GOING TO TAKE RESOURCEFUL AND WISE LEADERSHIP.

IT IS TIME TO MOVE FORWARD AGGRESSIVELY TO UPGRADE OSERS. THE NEEDS OF PEOPLE WITH DISABILITIES, THE OVERALL HEALTH OF OUR ECONOMY, AND THE QUALITY OF OUR CIVIC LIFE REQUIRE A QUANTUM LEAP FORWARD IN THE PROFESSIONALISM AND COMPETENCE OF THIS AGENCY. I HAVE HAD THE OPPORTUNITY TO MEET BOB DAVILA, THE NEW ASSISTANT SECRETARY FOR OSERS. I KNOW THAT HE SHARES THIS PERSPECTIVE; HE WILL HAVE AN OPPORUTNITY TO QUICKEN THE PULSE OF THIS AGENCY BY HELPING TO MAKE IT MORE EFFECTIVE AND RESPONSIVE TO THE NEEDS OF PEOPLE WITH DISABILITIES AND SERVICE PROVIDERS.

—

Chairman OWENS. I yield to Mr. Bartlett for an opening statement.

Mr. BARTLETT. Thank you, Mr. Chairman. I know I join with you in welcoming Dr. Bob Davila to his first hearing, his first appearance, at our subcommittee today, first of what will be, I believe and hope, a series of appearances as we work together with this subcommittee and with the administration on legislation which empowers people with disabilities to control their own lives.

Likewise, I welcome Bill Gainer and the GAO to today's hearing to focus on the helpful and useful GAO report on management practices at the Office of Special Education and Rehabilitative Services. This report, in fact, will move us forward.

It does outline several problems with the management practices at OSERS, practices before Dr. Davila became Assistant Secretary. While I do not believe that Congress, nor this subcommittee should attempt to micromanage the Office of Special Education, I do think this report and this hearing will be a valuable tool for Assistant Secretary Davila as he begins to make changes in the areas that need improved management leadership.

So, in fact, the GAO report is a useful management tool. It is quite timely in that the report comes at a time in which Dr. Davila is taking over the leadership at the office. A strong management team at the Federal level in OSERS will ensure that the goals and the initiatives of OSERS and the Congress are met.

At the same time, I know that this subcommittee will be realistic and will understand that changes will not happen overnight. It is important to note that most of the things that happen at OSERS and have happened at OSERS in the last several years are good, that most of the management practices are sound, that if there are changes and improvements that can be made, the GAO has presented a blueprint for what those changes should be.

It will take time to implement long-range plans and to enact practices that will provide program accountability and specialized training for the staff. I can see by reading Dr. Davila's testimony that he is on the right track and I am pleased that he has used the GAO report as a blueprint to design a new management team.

Beyond the GAO report and the management of OSERS itself, I do want to say that I will be interested in hearing from Dr. Davila on other broader items today and in the future, items including his overall goals for OSERS, what changes he wants to make in OSERS to achieve those goals, and what new initiatives he plans to pursue during his tenure at OSERS.

As we enter the 1990s, I believe that independence for people with disabilities is the goal that we should set and OSERS will play a pivotal role as we build on initiatives such as supported employment and the Technology-Related Assistance Act that had previously been enacted.

I look forward to his testimony and in working with Dr. Davila over the course of this administration.

I yield back my time, Mr. Chairman.

Chairman OWENS. As I said before, we have a simple panel of two witnesses: Mr. William Gainer, the director—oh, I am sorry. Mr. Smith. I yield to Mr. Smith for an opening statement.

Mr. SMITH. I don't have a prepared statement, but I would simply like to add my welcome especially to Dr. Davila and to say that my interest goes substantially beyond this report by which I have several questions, really to the larger question of the management of what OSERS—we all know the function of OSERS.

Because I am fresh to the Congress, I still have ringing in my ears, the complaints of my neighbors who are committed to Special Education in the state of Vermont and find the Federal role financially to be ridiculously light and the Federal burden regulatory and bureaucratically aided and abetted by the state to be almost unbearably heavy.

I am interested in why it is that we are losing our best special education teachers and the pipeline is emptying of the teachers of the future. From my point of view, with due respect to this study which we will go into, it is a little bit like counting the deck chairs on the Titanic.

We have got much bigger problems, which I think Dr. Davila points to in his testimony and alludes to, much bigger problems than how to, in my mind, fine tune the management of a program that needs a very hard look if we are to understand and keep the promise which that program and the legislation which supports it made to the people and to the children of this country twelve, thirteen years ago.

Thank you.

Chairman OWENS. Thank you, Mr. Smith. Mr. William Gainer, the director of the Education and Employment Issues, Human Resources Division of the General Accounting Office, is our first witness.

The panel also consists of Dr. Robert Davila, Assistant Secretary of OSERS, Department of Education.

Gentlemen, please be seated. You may begin, Mr. Gainer.

STATEMENTS OF MR. WILLIAM GAINER, DIRECTOR, EDUCATION AND EMPLOYMENT ISSUES, HUMAN RESOURCES DIVISION, GENERAL ACCOUNTING OFFICE; AND DR. ROBERT DAVILA, ASSISTANT SECRETARY, OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION

Mr. GAINER. Thank you, Mr. Chairman. We are happy to be here to report on the results of our study. It has been a difficult task as these management studies are. I would like to say that the relationship between management and effective programs is not always clear.

However, that relationship is strong and it is a relationship which we have found repeatedly in our work on agency management at GAO, that if you have an agency which is experiencing serious management problems in terms of personnel development, in terms of goal setting, in terms of a number of the important functions of organizational management, you will tend to find at the service delivery level, or at the local level where services are delivered, there will be problems in the way those services are delivered as well or there will be problems in advancing the objectives of those programs as well.

So, in deference to Mr. Smith, I would just say that I do not believe that looking at the management of any organization, particularly one which, in my view, has serious problems is irrelevant to what I would agree is the really important question and that is whether or not these programs are effective for handicapped or disabled Americans.

Our study is largely based on a survey of the senior staff and managers of the Office of Special Education and Rehabilitative Services, but we did in addition to that do a survey of all state directors of vocational rehabilitation and state directors of special education to see if they had the same views of these management concerns that were raised, of course, before we got into it, if they had the same views and if they saw the same problems and they collaborated our results.

In addition to that, after having completed our survey in these interviews with the state directors, we went back in to meet with component heads in OSERS and to meet with subunit managers and groups of employees and although in all honesty, some of the component heads felt that we lacked a depth in some of the things we did and that if we looked a little harder, we would have seen some positive things, and, in fact, we did see many positive things.

But I would say a fair characterization is that nobody quibbled with the thrust of our remarks and I would note that neither does Dr. Davila. He assists and has placed himself to take action to correct the problems that we have found.

I should say that historically my understanding is that the problems that OSERS experiences today or has experienced in the recent past are not necessarily of recent duration, but that it is an organization given its history, the merging of several organizations from other places, is one where it has not been characterized by strong management or central leadership over a long period of time, but that we found significant problems in recent years and that those in my discussions with others at GAO who have led major management studies of large departments, the problems we found were at least as severe or worst than those we found in most other departments.

The chart that I have here on the right summarizes the major topics that we dealt with in our report. These are topics which if you take a top down, look at the management of an organization, that is what we did. These are topics that you would always look at and they were topics that came up in the various hearings that you held here with your subcommittee and in discussions in the press, but they are not problems that are atypical of the Federal Government or of any large organization, but they are problems that we think in the case of OSERS and in particular, are in need of some attention.

Chairman OWENS. Are they severe or worse than most Federal——

Mr. GAINER. Well, I would say based on my discussions with others and my experience with several other departments personally, that in terms of sort of the central leadership of the organization and the—say, the difficulty in the administrative functions of the organization, they were more severe than I have seen in other places.

I am not going to speak to each one of these concerns now, but I am going to go through them separately and just cite some statistics and some facts about these various problems and I am prepared to answer questions at any time as I go through it.

I am not going to read my entire statement, but ask that it be entered into the record.

Chairman OWENS. Without objection, the entire statement will be entered into the record.

Mr. GAINER. Overall, though, 60 percent of the personnel in OSERS who answered our survey and a 189 out of 250 answered the survey, said that the Office of the Assistant Secretary had done a poor job of establishing goals, coordinating component activities and responding to program concerns raised by senior managers.

We did find OSERS components generally had operational plans and that those operational plans were closely linked to the important functions that they carried out on a day-to-day basis, but I mentioned strategic planning here in the chart. What we didn't find was the strategic plan which I note with interest Dr. Davila is developing and his plan is for the 1990s and that is what we believe strategic planning is about.

It is something that moves the organization ahead, not necessarily that something that allows the organization just to carry out the functions that it has in the near term.

We also found that 75 percent of OSERS respondents identified one or more of the typical human resource management problems and that nearly half of its grants management staff, those that had responsibilities for grants management felt that there were problems in the grants management area, in the area of program monitoring.

Finally, the state education officials or special education and vocational education felt that the relationship, the Federal leadership that was provided by OSERS had either deteriorated over time or had, in the words of many, ceased to exist.

The strategic planning process in any organization, we at GAO believe, is important to whether not that organization will achieve the objectives of the legislation which they implement. Some of the elements of that are to analyze the environment in which the organization works, assess its strengths and weaknesses, consider alternative courses or action, establish objective, assign responsibilities, and design feedback mechanisms.

When we look at the goal setting and strategic planning process in OSERS, as I said, we found that broad goals were set by the Assistant Secretary and as far as we can see, many of the people in the constituent groups felt that those broad goals were appropriate and they were the right goals for the organization at the right time.

What we didn't find, though, when you go to the component level are subobjectives which the various components would pursue to achieve those broad goals. There were no time frames, there were no plans to achieve those objectives. Now, I am not saying that you could not possibly run an organization without these things written down. It is quite possible.

We searched for alternative mechanisms, but I have to be honest, in an organization of nearly 450 people and with the budget of

nearly four billion dollars, I am not sure that is the kind of organization that can be effectively run without some kind of written plans, and I am not alone in my belief of that.

Our consultants from the American Society Public Administration and other managers who are expert in large organizations, particularly government bureaucratic organizations, think that written plans and milestones in some checking against those are effective and it also meets most people's common sense judgments about how management is done.

We specifically asked whether there was a systematic process for goal setting and that is one of the things we look for when we do these studies. A 104 out of 186 responding to our survey said that there were no systematic goal setting system or that they were unaware of such a system if it existed.

I think one of the things that you look for in getting commitment in an organization to its goals is the involvement in the staff, particularly the senior staff, in setting those goals.

So, I would say, in all likelihood, the fact that there was no system and that the staff were not involved was a problem which went beyond just the fact that some paper system was missing. I think it went beyond that and it meant that this goal setting system was not functioning the way it should in a healthy organization.

Consequently, when you put that together, you don't have milestones and you don't place responsibility for specific subobjectives. You have poor accountability in an organization and I think we had that in OSERS.

On the next chart——

Chairman OWENS. Mr. Gainer?

Mr. GAINER. Yes.

Chairman OWENS. You seem to be a bit apologetic about stating clearly and forcefully that it is outrageous for an organization that has forbidden our budget not to have written goals and objectives.

Would any American corporation—with a forbidden dollar gross—dare not have written objectives and goals?

Mr. GAINER. I had better start by saying I am certainly no expert on corporate management. I have looked at government organizations for 20 years and I believe that it is possible to run an organization without written goals.

If you have additional mechanisms, you have close communication with the staff. If you have constant feedback, it is quite possible, and I wouldn't want to be held to a standard of written goals for everything I do in my organization, but I think that we were unable to find alternative mechanisms which we thought would work and I would say that I think it is much more difficult to run an organization of this size and with this kind of budget and with the mission that this organization has, if you don't have some written goals.

One thing it does is it communicates those goals to everybody in the organization. They can see what they are and they can put their shoulder to the wheel and very often in an organization, it is not telling people what to do that gets things done, but it is having them understand and identify with the goals of the organization and make it happen for you.

I think that is the critical thing that you lose when you don't have written goals.

Mr. BARTLETT. Would the chairman yield? Just to make sure that the subject isn't totally overstated, the four billion dollar number is a huge number, but as I understand, most of OSERS' four billion dollars is spent by grantees.

I would assume that you wouldn't be proposing written goals that had been micromanaged and applied to each individual grantee?

Mr. GAINER. No, sir.

Mr. BARTLETT. How would you characterize the size of OSERS itself since it seems to me that a four billion dollar number may be somewhat misleading because that is the total dollar amount of grants, most of which are administered by grantees?

Mr. GAINER. You might characterize the direct functions of OSERS at something like 400 million, but it depends upon how you count. I think you clearly need less of an organization here than you would if OSERS were a service delivery.

You have organizations in Federal Government with much smaller overall budgets which have virtually thousands of people because they are the service deliverers and I don't want to make it look like OSERS is involved in running a service delivery at the local level.

What you do have though is you have Federal law and you have Federal guidelines and you have changes that take place through legislation from year to year and OSERS can and does affect how promptly those changes in Federal law take place and it does affect or let's say it can affect the professionalism with which that is done if it provides the leadership and technical assistance.

Mr. BARTLETT. I just wanted the record to reflect I am not opposed to written goals. I think it would be nice if Congress had written goals. We are a much larger organization than OSERS, but then in another world, perhaps.

Mr. GAINER. Far more decision makers, though.

Mr. BARTLETT. What I am trying to suggest to you is that a four billion dollar number doesn't precisely describe the size of OSERS. A $400 million operating budget probably does. You may want to put on the record the total number of employees at OSERS so the record will reflect——

Mr. GAINER. It is only about 450 employees, but they are in this monitoring function and in this policy setting function. I would freely admit that they are far less important to the success of the Education of the Handicapped Act or Vocation Rehab than they would be if they were the service deliverers themselves.

Those functions are carried out very effectively at the local level and the legislation that underlies the EHA, for example, is a very strong legislation.

Mr. BARTLETT. It is about the size of a good-sized rehabilitation hospital in Dallas which does have written goals, by the way. So, your point is also taken, but it is not this huge organization, international organization, the size of IBM. It is the size of a good-sized rehabilitation hospital in Dallas.

Mr. GAINER. No, sir, and the functions are principally policy setting and monitoring so that it does not take as large an organization.

Mr. BARTLETT. Thank you.

Chairman OWENS. We will come back to the question later, but let me just say that in a decentralized operation, the General Motors headquarters is just the headquarters. It has many units out there to operate sort of independently under the direction of the headquarters.

In a decentralized operation, and OSERS is that kind of operation, each one of its grantees is a part of a total operation. It is more important to have written goals, and more important to have a communication structure that is functioning very well than it is if you have all the employees in one place and the unit function as one.

Mr. GAINER. I certainly think it is important——

Chairman OWENS. The fact that it has grantees and gives out money and is the delivery unit, does not lessen, but increases the need for improved communication and written goals and objectives.

We will come back to the question.

Mr. GAINER. Okay. I would agree with Mr. Bartlett that it would inappropriate for them to have written goals that went right down to the local level. I think their goals have to relate to their principal functions which are policy-setting, monitoring and grant management, and that is where they——

Mr. SMITH. I have been trying to listen and be educated here——

Chairman OWENS. I yield to Mr. Smith.

Mr. SMITH. Before we continue, it would not only be inappropriate—let's get it straight—it would be war with the governors and the legislators and the local school boards of this country. What we are talking about is if it didn't exist is that there are other people with other responsibilities and other laws that governor them and that makes my concern about this study.

It is not whether or not you have accurately identified some problems, but whether it reflects and understands the context within which this enterprise at its various levels operates and the enormous restraints that it operates under.

I don't see yet that we have that understanding. I am not after you. I just want to be clear with the other members at least that it isn't a question of inappropriateness; it is a question of intergovernmental relations. It is a question of children. It is a question of teachers, a question of money, and the people who operate at the Washington end of this spectrum have a very different and I know very difficult job that in all doubt can be done better.

It doesn't do us any good to evaluate them over here without understanding the world that they are effecting and, in fact, trying to be part of sometimes effectively, sometimes not.

Mr. GAINER. Let's go on to the next chart here. Another area that we commonly look at when we look at the management of an organization is human resource management. If the people in an organization such as OSERS which have policy setting and monitoring responsibilities are not well prepared to carry out those functions, then that organization will not function well.

If the organization does not tend to its human capital, over a period of time that human capital deteriorates just as physical equipment and that organization will not function as well.

When we look at the concerns that employees had and then go back in and look ourselves at those problems, we found a number of areas here where people had significant concerns. One was whether the training they received was adequate and another was whether not vacancies were filled promptly and that in many cases, vacancies were filled on an acting basis for a long period of time.

When vacancies are filled in that manner, it generally is expected to have a deleterious effect on the organization. Now, we did not try and make a judgment as to whether or not it did, but the employees of OSERS itself and the state directors of vocational rehabilitation and state directors of Special Education told us that these vacancies that I show here were having an impact on the organizational effectiveness both at the Federal level and in the state programs.

Mr. BARTLETT. Mr. Chairman, if I could interrupt? I didn't literally understand what you said. You said you did not determine objectively whether the vacancies were filled or you did?

Mr. GAINER. No, no. We didn't try to determine whether specific vacancies were having a deleterious effect on the organization's management.

Mr. BARTLETT. You did not?

Mr. GAINER. We did not. However, it is sort of a principle that if you have your key positions vacant, you are not going to be able to make decisions. You are not going to be able to develop policy. You are not going to be able to accomplish your mission.

The thing that usually hurts the most is policy change or important decisions. In this case, we looked at 13 percent of the jobs in OSERS, the top 13 percent or 56 positions here and at the beginning of last year, 21 out of the 56 or almost a third of the key positions—by key positions, I mean component heads, division chiefs, regional commissioners and branch managers—21 out of those 56 positions were vacant, even after that problem had been highlighted by your hearings and by our queries about exactly how many of the positions were in that situation.

We found a year later that 14 or about 25 percent of the positions were still vacant or held by acting managers. In terms of the impact of that, 84 percent of the response to our questionnaire said that those vacancies or acting positions were a serious problem and 55 percent said that when they had a vacancy, a critical vacancy in their organization, it was impossible to fill that organization in a timely fashion.

In talking to state directors, say voc rehab directors, for example, 51 were aware of the vacancy problem. That is, 51 out of 51 said that they were aware of the vacancy problem and 37 of the 51 said that it was having a negative effect on the accomplishment of their state program objectives.

In terms of training and development programs, one in six of OSERS employees or less in one of six of the OSERS employees said that they felt that the training that they received was useful to them in doing their jobs or in their professional development.

They cited problems such as inappropriate training plans for individual employees, lack of commitment to training by OSERS officials and cuts in training funds which, of course, is more likely a departmental problem than an OSERS problem in and of itself.

In terms of the single largest function of the Office of Special Education and Rehabilitation Services, that is, grant management, we asked a number of questions which were aimed specifically at those people who have grant management responsibilities.

Three hundred and thirty-eight million dollars of OSERS' budget goes to discretionary grants and there are more than 2,000 of those grants at any given time. As this chart shows, of those people who were involved in the grant management process at OSERS, most felt that they were adequately carrying out their grant management responsibilities, that is, grants were awarded promptly, but when you looked at whether or not grant monitoring, grant performance was a serious problem, 48 percent of those said that it was a serious problem.

Another significant number said that they were not sure, and a fairly small number said that they thought that grant management was not a problem. For formula grants, which is something in the neighborhood of three plus billion dollars, we also got the same kind of response from those employees and it was pretty much mixed among the two components, OSEP and RSA, which administers these various grants.

In terms of monitoring and here I would like to just give some perspective. It is clearly impossible to monitor 23 or 24 hundred grants on-site every year, so I am fully aware that that cannot be done.

Most of the monitoring of these programs is done by the—that is, the discretionary grants—is done by telephone and the telephone, we know from history when we try to audit over the telephone, we don't always get quite the right answer. I think the most significant thing, however, is not the percentage of grants that are monitored on-site, and I think a low percentage is a problem, but I think the most significant thing is that the people charged with that responsibility here felt it was a problem and even the people who are monitored at the state level, the state directors, felt that monitoring was generally a problem, that monitoring was infrequent and monitoring is valuable to these state people because it answers questions that they have uncertainties about in terms of the way they are operating.

In addition, they felt that once they were monitored, it took much too long to get their monitoring reports and I just gave a couple of examples. For the Office of Special Education Program, statistics show that their grants were monitored on average more infrequently, so infrequently that it would be more than four years between any kind of on-site monitoring.

Once they had monitored one of these state programs, it would be between one and three years before a final report was issued. I think that is a problem. It is pointless to even spend the money on the trips or the travel to monitor and not feedback to these organizations whether or not there are problems of compliance with law or whether they could be operating in a better way.

Let's go—since I have been talking a little bit about the state relationships, I would just like to move on to that question. Here we have some mixed results but the problem that came up most often was this monitoring problem. Nearly half of the state special education directors were critical of program monitoring.

It was either too infrequent or too slow or they couldn't get a final report that would give them a score card on how well they were doing. The vocational rehab directors were more critical of program direction than policy guidance.

One of the things that was pointed out to us as we did this study was that the field operating manual for RSA had not been updated for 14 years. That means that it would go back before some significant changes in law.

In both groups—and this is another question, technical assistance is another question——

Chairman OWENS. What was the last statement?

Mr. GAINER. About technical assistance or——

Chairman OWENS. Field operations manual.

Mr. GAINER. The field operating guide for RSA had not been updated in 14 years and I said that a lot of things have changed in the rehabilitation area and in this whole field in the last 14 years.

Chairman OWENS. In that law?

Mr. GAINER. Yes, in law and in practice at the state level as well. On the question of technical assistance and this is one where I think the state/Federal relationship and the distribution of resources and the way we have chosen to operate this program raises a serious question about whether or not you can do a better job on technical assistance.

I don't know to the extent—I don't know how well 450 people can do at providing technical assistance to the thousands of grantees and the 51 state education associations or agencies.

However, it is perceived as a problem by these state directors. They complain about it. They feel they need it, and I think it is an area where some look at whether or not there is a more appropriate role, which is feasible given resources, could be implemented in terms of technical assistance.

Let's go to the next chart here. This is kind of an overall question as to whether or not the states receive the kind of policy guidance and direction that they believe they need.

We asked one question about goals and objectives of the organization, and here I think this goes to the heart of the question that Mr. Bartlett was getting at, to what extent is this important, this goal-setting at the state and local level?

Well, these state directors were concerned about the goal-setting and in the case of special education, they felt that the overall goals were set and that they understood them and that they were positive and useful.

When you look at vocational rehabilitation, however, you have about the same number that said it was very well or well for special education, saying that it was poor or very poor in the area of vocational rehabiliation.

I have, I think, one last chart. This is a question which—maybe this is the question that the department has in mind when it says that any questions are methodology. This was a bone of contention

when we asked this question and that's asking the employees of an organization to make some kind of general judgment about how effective the leadership of that organization is.

Now, you can say that asking that question is like asking the convicts in a prison whether or not they like the warden, but I don't think it is the same thing because the perceptions that the employees of an organization have of the leadership of that organization are very important in terms of whether they are going to get behind that organization in trying to achieve its goals.

So, this is a diagnostic question. It doesn't tell you what your problem is, but it definitely tells you that there is a problem and it gives you a sense for all things considered. See, we asked a lot of questions about specific problems and any organization will have specific problems.

If you go in and ask my people whether I pay enough attention to staff development, the answer is about 50 percent no because we do that every year, but when you ask about the overall leadership of this organization, 79 percent said that in recent years, the overall management approach had had a negative effect on the effectiveness of this organization.

That is all I have at this point.

[The prepared statement of William J. Gainer follows:]

United States General Accounting Office

GAO Testimony

For Release
On Delivery
Expected at
9:30 AM EDT
Thursday
September 7, 1989

Observations on Management of Department of Education's Office of Special Education and Rehabilitative Services

Statement of William J. Gainer
Director of Education and
Employment Issues
Human Resources Division

Before the
Subcommittee on Select Education
Committee on Education and Labor
House of Representatives

GAO/T-HRD-89-34

GAO Form 160 (12/87)

SUMMARY OF GAO TESTIMONY BY WILLIAM J. GAINER ON THE MANAGEMENT OF THE OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

GAO's testimony summarized its recently completed audit work on the management of the Department of Education's Office of Special Education and Rehabilitative Services (OSERS). GAO's findings are based on (1) perceptions of OSERS managers and senior staff obtained through 187 questionnaire responses and (2) interviews with state directors of vocational rehabilitation and special education regarding program leadership, responsiveness to state needs, and quality of services provided to the states.

Significant management-related concerns were identified by OSERS and state officials in the following areas:

GOAL SETTING PROCESS. The majority (60 percent) of OSERS respondents believed the Office of the Assistant Secretary for Special Education and Rehabilitative Services had done a poor job of establishing OSERS-wide goals, coordinating activities among OSERS components (the Office of Special Education Programs, the Rehabilitative Services Administration, and the National Institute on Disability and Rehabilitative Research), and responding to program concerns raised by senior OSERS officials, regional offices, and constituents.

PERFORMANCE MANAGEMENT WITHIN COMPONENTS. OSERS components generally develop operational plans in support of anticipated budget expenditures rather than strategic plans for multi-year periods by, among other things, (a) analyzing the organizational environment, (b) assessing organizational strengths and weaknesses, (c) considering alternatives, (d) establishing clear objectives, (e) assigning responsibility, and (f) establishing feedback mechanisms. This lack of strategic planning very likely makes it more difficult to manage the organization and subsequently to assess the performance of organizational components.

HUMAN RESOURCE MANAGEMENT. More than 75 percent of OSERS respondents indicated that staff vacancies, staff in acting positions, and the lack of appropriate training courses and/or access to training were problems which affect OSERS' ability to achieve its program goals and objectives.

GRANTS MANAGEMENT. Despite the fact that virtually all of OSERS annual budget is to award and administer discretionary and formula grants to states and other entities, nearly half of OSERS respondents with grant responsibilities believed there were serious problems in evaluating and monitoring discretionary and formula grant performance. These problems were attributed to factors such as limited staff resources and the unavailability of travel funds.

FEDERAL/STATE RELATIONSHIPS. Nearly half of the state special education directors were critical of OSERS program monitoring. Over sixty percent of the state vocational rehabilitation directors believed the office of the Assistant Secretary had done a poor job of establishing national goals and objectives for handicapped individuals. Both groups of state directors were disappointed with OSERS' limited technical assistance.

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss our recently completed audit work on the management of the Department of Education's Office of Special Education and Rehabilitative Services (OSERS) programs and activities. I am accompanied by Fred Yohey, GAO's Assistant Director for Elementary and Secondary Education Issues, William DeSarno, our Assignment Manager for our special education work and Darlene Bell, the Evaluator-in-Charge for this assignment.

Effective management systems are critical to the Department's ability to accomplish its mission. Traditionally, the Department has operated as a conglomerate of largely independent entities. Strategic planning and program management have been delegated to various assistant secretaries. Our work over the last two years has shown that an effective management system has not been established within the Department of Education. For example, senior officials did not establish the subsidiary goals envisioned by the past Secretary of Education to implement the broad philosophical guidance regarding Department programs. GAO's work at other departments has shown that there are a variety of ways to structure and operate such a "strategic management" system and the need to strengthen Department management in this and other ways was discussed in our report Education Issues (GAO/OCG-89-18TR, November 1988).

Our work specifically on OSERS management issues was initiated at your request subsequent to OSERS oversight hearings you held in November 1987. After meeting with you and your staff, we agreed to study the perceptions of OSERS managers and senior staff regarding selected management activities. It was anticipated that our study would aid the subcommittee in its oversight function and would be useful to the incoming administration.

In August 1988, we mailed a questionnaire to 250 OSERS headquarters and field managers and senior staff to obtain their views on OSERS management. The questionnaire was developed using a more general approach designed by our office for department-wide management studies at the Departments of Labor and Health and Human Services as well as the Social Security Administration. The approach was modified by adding questions specific to OSERS' mission. We received 187 completed questionnaires for an overall response rate of 75 percent. We also interviewed state officials who implement programs receiving OSERS funding--state directors of vocational rehabilitation and state directors of special education. Once the questionnaire results were analyzed, we discussed our findings with component heads and several division directors and branch managers to gain additional insights into OSERS management practices.

In January and February 1989, we provided briefings to you, the Ranking Minority Member, and subcommittee staff as well as senior OSERS officials on our preliminary findings. Comments on our draft report were received on September 5, 1989 from the Department of Education. They generally agreed with our findings and said they were planning actions to address the management concerns identified. Our final report will be issued within the next several weeks.

BACKGROUND

As you know, the Office of the Assistant Secretary for Special Education and Rehabilitative Services provides overall guidance and direction to three OSERS components with distinct missions.

- The Office of Special Education Programs provides grants to assist states in providing a free appropriate public education and related services to children with handicaps.
- The Rehabilitative Services Administration provides funds to state vocational rehabilitation agencies to help physically and mentally disabled persons become gainfully employed.
- The National Institute on Disability and Rehabilitation Research provides discretionary grants to states, public and private agencies, and other organizations to support research, demonstrations, and related activities.

OSERS' fiscal year 1989 budget is $3.7 billion. This represents about 17 percent of the total Department of Education budget. The organization is authorized 425 full-time positions: 136 in the Office of Special Education Programs; 213 in the Rehabilitative Services Administration; 33 in the National Institute on Disability and Rehabilitative Research; and 43 in the Office of the Assistant Secretary.

Our work focused on the period--July 1983 through May 1989--when Ms. Madeleine C. Will served as Assistant Secretary. Between March 1984 and November 1986, Ms. Will established several broad goals upon which to concentrate OSERS activities--(1) transition from school to work for students with disabilities; (2) supported employment for adults with severe disabilities; and (3) education of students with learning disabilities.

RESULTS IN BRIEF

In general, we found significant concern among OSERS managers and senior staff regarding the management of OSERS programs and activities. Over three-quarters of OSERS managers and senior staff responding to our questionnaire believed that the overall management approach within OSERS had a negative effect on the day-to-day operations of their organizational units. A primary

reason for these negative feelings was the perception of an excessive involvement in component activities by the Office of the Assistant Secretary. These feelings were expressed by substantial numbers of managers and senior staff in all OSERS components.

GAO Overview of Findings

Problems Identified by OSERS and state officials

- Inadequate goal setting
- Lack of strategic plans
- Staff vacancies and training
- Infrequent grantee monitoring
- Strained state relationships

Through our analyses of questionnaire responses and discussions with state officials, problems were identified in OSERS' management of its (1) goal setting process, (2) performance management system, (3) human resources management system, (4) grants management system, and (5) relationships with state officials. Specifically,

-- The majority of OSERS respondents (60 percent) said that the Office of the Assistant Secretary had done a poor job of establishing goals, coordinating component activities, and responding to program concerns raised by senior OSERS officials, regional offices, and constituents.

-- OSERS components generally developed operational plans in support of anticipated budget expenditures but had no strategic plans[1] for multi-year periods which could be used after the fact to determine whether objectives were achieved.

-- More than 75 percent of OSERS respondents identified numerous human resource management problems, such as excessive staff vacancies and training inadequacies.

-- Nearly half of its grants management staff identified inadequate evaluation and monitoring of OSERS grantee performance as serious problems in both discretionary and formula grants.[2]

-- State special education and vocational rehabilitation directors identified several problems, including the lack of program monitoring and technical assistance, which among other things affected their relationship with OSERS.

IMPROVEMENTS NEEDED IN OSERS' GOAL SETTING PROCESS

Although broad goals were established in the mid-1980's by the former Assistant Secretary, the majority of respondents to our questionnaire said the Office of the Assistant Secretary generally did a poor job of involving appropriate staff, making timely decisions, considering alternatives and the long-term effects of decisions, and coordinating with OSERS components during the goal formulation process. More than 60 percent of the respondents said the Assistant Secretary's office performed a less than adequate job in establishing broad program priorities for each component. For example, as shown in the chart on the next page, respondents said that the office did a poor or very poor job of (1) establishing realistic OSERS-wide goals and objectives, (2) coordinating activities requiring cooperation between the Assistant Secretary and the components, and (3) responding to major concerns surfaced by senior level managers, regional offices and constituents.

---

[1]Strategic plans are plans developed for multi-year periods to, among other things, (a) analyze organizational environment, (b) assess organizational strengths and weaknesses, (c) consider alternatives, (d) establish clear objectives, (e) assign responsibility, and (f) establish feedback mechanisms.

[2]OSERS discretionary grants are distributed competitively based upon proposals submitted by prospective grantees. OSERS formula grants are distributed to states based on statutory provisions which require allocations to be made on the basis of certain criteria such as the number of handicapped individuals in each state.

GAO OSERS Goal Setting Process

Most respondents said OSERS top management inadequately

- involved staff in goal setting
- established realistic objectives
- coordinated activities with components
- responded to major concerns of senior managers

While OSERS initiatives were said to generally relate to the broad goals established by the former Assistant Secretary, no component subobjectives were identified, and no implementation milestones were established. Consequently, no one was held responsible for carrying out tasks necessary to achieve the broad goals. There was also no process for routinely involving key managers and staff in setting goals.

According to senior officials, progress in achieving OSERS goals was monitored by the Assistant Secretary primarily through discussions at weekly meetings with top OSERS officials and managers, and by tracking timeliness in completing various tasks such as awarding discretionary grants. These officials told us that no record of the OSERS components' progress was maintained--components did not provide progress reports and minutes of the weekly meeting discussions were not prepared. Officials told us that feedback from the Assistant Secretary's office to OSERS officials was informal and consisted of periodic memos to remind OSERS officials of approaching deadlines, such as obligating funds to grantees on schedule.

5

GAO Management of OSERS Components

Components lack critical elements of strategic planning such as

- Setting a reasonable number of major goals
- Monitoring progress against the goals
- Providing managers periodic feedback on success

PERFORMANCE MANAGEMENT WITHIN OSERS COMPONENTS DIFFICULT TO MEASURE WITHOUT A STRATEGIC PLAN

The performance of OSERS components is also difficult to measure because the components neither develop component-wide strategic plans with specific goals and objectives nor establish and implement a system to measure progress against such goals. Several important elements of an effective strategic plan are noted in the chart above. Instead, each component develops operational plans of varying levels of detail which were believed to be linked in a general way to the broad OSERS goals established by the Assistant Secretary. Thus each OSERS component informally planned its own activities.

None of the OSERS components develop strategic plans with measurable performance objectives. The Rehabilitative Services Administration had strategic plans for fiscal years 1986 through 1988 but a plan was not developed for fiscal year 1989 because of leadership and staffing changes. With the exception of these efforts, other components' plans we reviewed were what we would

characterize as operational in nature and focused on the annual budget process.

The lack of an OSERS-wide strategic planning system linking the objectives of OSERS' components to the goals of the Assistant Secretary makes it difficult to track component progress. As a result, we were told by OSERS officials that progress is determined by component heads through (1) regularly scheduled meetings with key staff, (2) personal involvement in component activities, and (3) tracking operational milestones established by components to see, for example, whether formula and discretionary grants are awarded by predetermined dates.

Management at Unit Level Within OSERS Components

Most questionnaire respondents said that at the division and branch unit level, units had operating plans which helped them manage their individual programs and activities on a day-to-day basis. These operating plans included elements such as (1) objectives for specific programs and activities, (2) tasks to be performed, and (3) timeframes.

However, many respondents cited hindrances in implementing their plans. For example, 81 percent of the questionnaire respondents stated that certain management practices, such as the former Assistant Secretary's micromanagement of the travel approval process negatively affected their ability to manage. Other factors cited included insufficient staffing, inadequate authority to make decisions, and inadequately trained staff.

HUMAN RESOURCE PROBLEMS ALSO SAID TO RESTRICT ORGANIZATIONAL ACHIEVEMENT

We asked about personnel matters that could affect OSERS' ability to achieve unit level objectives, and found that three quarters of the respondents indicated problems in these areas: staff vacancies, the placement of staff in acting positions, and the lack of adequate training courses and/or access to training. Similar concerns were expressed by state directors of special education and vocational rehabilitation who said staff vacancies, staff in acting positions, and poorly trained OSERS staff were having a negative impact on their states' ability to achieve program goals.

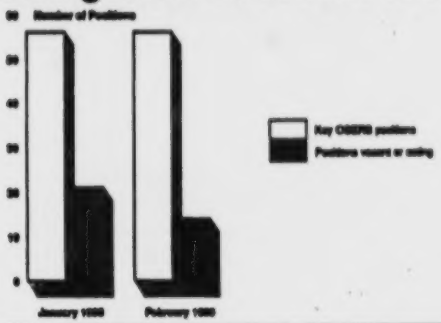
For example, the practice of designating personnel to serve in acting capacities for long periods of time generally created an environment in which important decisions were delayed, such as the approval of state plans and the level of program funding to be provided. This situation also provided no incentive to engage in long-term planning or to start new program initiatives. Information developed by our staff in February 1988 indicated that 21 of 56 key OSERS positions (component heads, division

directors, regional commissioners and branch managers) were vacant or being filled on an acting basis as of the end of January 1988. At that time, several regional Rehabilitative Services Administration commissioner positions had been vacant for over a year.

Information obtained from OSERS in February 1989 indicated that some improvement had occurred but that 25 percent (14) of the positions were still vacant or filled with acting managers. The vacancies and positions filled on an acting basis in January 1988 and February 1989 are shown in the graphic below.

GAO OSERS Personnel Management

14 of 56 key positions remained vacant or filled on acting basis as of Feb. 1989



The majority of state directors for rehabilitative services (37) and state directors for special education (31) also told us that vacant managerial positions and persons functioning in an acting capacity in OSERS were having a negative effect upon their programs at the state level. Some specific examples included (1) states' inability to get technical assistance and advice on programs, (2) delays in the Office of Special Education's monitoring activities and (3) slow approval of state plans causing disruptions at the state level and generally creating an unstable atmosphere.

Overall, eighty-four percent of the OSERS questionnaire respondents identified vacancies as a problem and 55 percent said that their components could seldom fill critical vacancies when they occurred. The reasons mentioned most frequently as contributing to this situation were Department and OSERS procedures, such as no payment for relocation expenses of new employees; limited promotion potential of advertised positions; and the uncooperative attitude of OSERS' administrative staff responsible for filling such vacant positions.

Most questionnaire respondents said the employee turnover rate for managers and senior staff was too high. They believed that such turnover had decreased the number of qualified staff in their units, decreased OSERS efficiency and effectiveness, and greatly decreased employee morale.

Ineffective Training and Development Programs

Training and development programs were generally viewed negatively by managers and senior staff. Less than one in six respondents believed that Department sponsored internal training and development programs had been effective in improving their performance. The conditions cited most frequently by the respondents as detracting from the effectiveness of Department sponsored internal training and development programs were:

-- inappropriate training plans for individual employees;

-- lack of commitment to training by OSERS officials;

-- cuts in training funds.

In discussions of the issue with OSERS' component heads, division directors and branch chiefs, we were told that any OSERS employee can have an individual training plan prepared if they desire one. However, the training courses available through the Department's Horace Mann Learning Center in Washington, D.C. include managerial and administrative courses only. The center does not offer, nor was it established to offer, training in specialized subject matter related to special education or vocational rehabilitation issues which employees say they want and need in order to keep current in their profession.

Several division directors and branch chiefs also told us that travel would not be approved by the Office of the Assistant Secretary to attend out of town seminars and conferences to obtain such specialized training because of budget restrictions. In addition, OSERS' regional staff could not attend courses at the Horace Mann Learning Center in Washington, D.C. because OSERS funds were not available to pay their travel costs or per diem expenses.

STAFF AVAILABILITY AND TRAVEL FUNDS CAUSE SERIOUS PROBLEMS IN MONITORING GRANTEE PERFORMANCE

Despite the fact that virtually all of OSERS annual budget is to award and administer discretionary and formula grants to states and other entities, questionnaire respondents with grant responsibilities believed there were serious problems in evaluating and monitoring discretionary and formula grant performance. These problems are attributed to limited staff and the unavailability of travel funds. Our primary findings regarding the OSERS grant management system are noted in the chart below.

GAO OSERS Grants Management

Grant managers reported

- Grant award procedures generally followed (69%)
- Monitoring grant performance was a serious problem (48%)
- Available travel funds limit monitoring activities

Discretionary grants

For example, during fiscal year 1988, OSERS awarded 2,366 discretionary grants totaling over $338 million. But, telephone discussions were the most common method used for monitoring grants according to OSERS component heads and 88 percent of 128 OSERS respondents and on-site visits were only occasionally conducted. OSERS officials told us that in fact on-site monitoring visits were conducted for about 5 percent of their discretionary grants during fiscal year 1988. According to our questionnaire results, 26 of 89 respondents said that the frequency of discretionary grant on-site visits in their areas was at best every 5 years apart. In addition, 21 respondents reported that some discretionary grants were never monitored on-site.

Formula grants

About 90 percent of OSERS' $3.7 billion fiscal year 1989 appropriation is devoted to formula grants. Forty of the 85 questionnaire respondents with formula grant responsibility identified monitoring compliance as the most serious problem in the formula grant cycle. However, the problem seemed to be more prevalent in the Office of Special Education than in the Rehabilitative Services Administration. (The National Institute of Disability and Rehabilitation Research does not administer formula grants.) As with discretionary grants, insufficient travel funds and staff vacancies were again cited by many respondents as the primary causes of this problem.

Monitoring procedures differ between OSERS components. According to OSERS officials, formula grants are monitored by agency officials at grantee locations every year by the Rehabilitative Services Administration and 4 or more years apart by the Office of Special Education Programs. Reports are prepared and issued to grantees after monitoring visits are completed. Fifty of 74 respondents to our questionnaire indicated that it generally takes 90 days or less to prepare and issue monitoring reports but 10 of the 13 Special Education grant management staff indicated that it took from one to three years to prepare and issue final monitoring reports. The time required to prepare and issue a monitoring report in the Office of Special Education appeared to us as unreasonable.

Information provided by OSERS officials indicated that 9 of 11 state special education agencies visited by the Office of Special Education during fiscal year 1987 had not received final written monitoring reports as of February 1989. These delays were attributed by respondents to slow departmental clearances and staff unavailability. This information was buttressed by information from our telephone survey of state special education directors who told us that receiving formal monitoring feedback was one of the most critical problems in their relationship with the Office of Special Education. Their comments indicate that

the Office of Special Education was not supportive of their states' need for responsive and timely feedback. Nearly half (24) of these state directors said it sometimes took two or more years to receive a final monitoring report.

STRAINED OSERS' RELATIONSHIP WITH STATE AGENCIES

Comments from state directors of special education and vocational rehabilitation agencies identified several problems regarding their states' relationship with OSERS. Most special education directors shared the same concern as OSERS respondents concerning program monitoring carried out by the Office of Special Education.

GAO Relationships With State Agencies Strained

- Special education directors critical of program monitoring (24 of 51)
- Vocational rehabilitation directors critical of program direction and policy guidance (33 of 51)
- Both groups considered technical assistance limited (53 of 98)

The majority of vocational rehabilitation state directors' comments were negative regarding OSERS management. Vocational rehabilitation state directors were critical of OSERS program direction, policy guidance, and particularly RSA's technical assistance. The overall views of these state officials are reflected in the chart above.

Program Direction and Policy Guidance

As shown in the chart below, state officials had mixed views regarding the establishment of OSERS goals. The majority of special education state directors (33 of 51) were pleased with the goals established by the former Assistant Secretary for persons with handicapping conditions. However, the same number of state vocational rehabilitation directors told us that the Office of the Assistant Secretary had done a poor job in establishing national goals and objectives for handicapped persons. Many vocational rehabilitation directors believed that their expertise and comments had been disregarded in setting goals for the Rehabilitative Services Administration. In addition, eighty percent of the state vocational rehabilitation directors stated that the federal/state partnership between their state agencies and the Rehabilitative Services Administration headquarters had deteriorated or in effect "ceased to exist". On the other hand, RSA regional offices were generally viewed favorably by vocational rehabilitation directors.

GAO Mixed Views on Establishing Program Goals and Objectives

	Number of Special Education State Directors	Number of Vocational Rehabilitation State Directors
Very well	9	2
Well	24	5
Neither well nor poorly	10	11
Poorly	6	18
Very poorly	1	15
No basis to judge	1	0
Total # of respondents	51	51

Written OSERS policy guidance provided to the states was generally characterized as moderately useful but untimely. Thirty-three of 51 state special education directors told us that the written policy guidance received from the Office of Special Education Programs was untimely. Similarly, 43 of 51 state vocational rehabilitation directors said the Rehabilitative Services Administration's policy guidance was untimely. The Rehabilitative Service Administration's policy manual, for example, has gone without a major revision for 14 years. While considered moderately useful, written OSERS policy guidance was variously characterized by state directors as sporadic, incidental, and outdated. These directors said that this caused, among other things, problems in determining who was considered eligible to receive rehabilitation services.

Technical assistance

State directors of both vocational rehabilitation and special education agencies were critical of OSERS technical assistance. For example, according to state vocational rehabilitation directors:

-- sixty-three percent said Rehabilitative Services Administration staff generally were unaware of the kinds of rehabilitative services needed in their states;

-- forty-five percent believed that this lack of knowledge results from Rehabilitative Services Administration staff being inexperienced and improperly trained; and

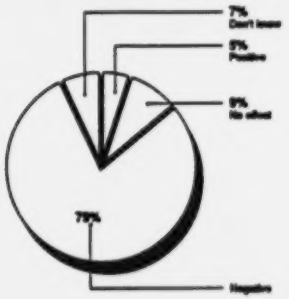
-- fifty-five percent believed that the Rehabilitative Services Administration's staff's lack of expertise has had a negative effect on their ability to achieve state program goals because they frequently cannot get needed guidance or needed technical assistance.

OVERALL PERCEPTIONS ON OSERS' MANAGEMENT

As reflected in the following graphic, 79 percent of OSERS managers and senior staff responding to our questionnaire believed the former Assistant Secretary's overall management approach negatively influenced the management of their organizational units. Many officials said that the former Assistant Secretary's overall management approach had a very negative effect on their unit operations. Specific explanations cited by respondents included (1) too much intervention and micromanagement of component activities, (2) lack of professional respect toward the staff, and (3) failure to support Rehabilitative Service Administration goals. Nine of 184 respondents (5 percent) indicated that the former Assistant Secretary's overall management approach had a positive effect on their units' daily management.

GAO Effect of Overall Management Approach on Unit Operations

Most reported negative effect



Respondents' comments regarding issues requiring OSERS' top management attention were consistent with information we obtained through our analysis of questionnaire responses, where most respondents generally believed that the Office of the Assistant Secretary was too involved in component activities such as setting policies, allocating resources, program management and particularly administrative operations. Other problems receiving frequent mention were their perceptions that the former Assistant Secretary lacked respect for staff; infrequently recognized employees' abilities; provided poor leadership; and maintained an ineffective organizational structure. A need for better communication and cooperation between the Assistant Secretary's office and the three OSERS components was also mentioned repeatedly.

- - - - -

That concludes my prepared statement. My colleagues and I will be happy to answer any questions you or other members of the Subcommittee may have.

Requests for copies of GAO reports or testimony should be sent to:

U.S. General Accounting Office
Post Office Box 6015
Gaithersburg, Maryland 20877

Telephone: 202-275-6241

The first five copies of each report are free. Additional copies are $2.00 each.

There is a 25% discount on orders for 100 or more copies mailed to a single address.

Orders must be prepaid by cash or by check or money order made out to the Superintendent of Documents.

Chairman OWENS. Thank you. Mr. Secretary.

Dr. DAVILA. Thank you, Mr. Chairman, for the warm welcome that you extended to me earlier this morning and I want to thank the members of this subcommittee also for the opportunity to come here for the first time as Assistant Secretary.

Generally speaking, I have very positive opinions about special education and vocational rehabilitation in this country. As you may well know, I am a product of special education and vocational rehabilitation.

My elementary and secondary education was in special education, as well as my undergraduate training at Gallaudet. In addition, part of my doctoral studies were supported by vocational rehabilitation on a fellowship grant.

So, I come to my new responsibilities without any illusions that it is going to be a simple task. I have assumed enormous responsibilities, but I welcome the challenges presented by this position, and I enter into these responsibilities with optimism.

I am aware of the internal problems concerning OSERS. The problems have been very clearly enunciated this morning and I have reviewed these problems, discussed them at length, and I am going forward to provide the strongest possible leadership to OSERS as I begin my duties.

Although we have questions about the methodology on which the GAO report was based, many of the conclusions in the report are consistent with my own assessment of management problems in OSERS.

In particular, I have concerns regarding excess centralization of authority, lack of collegiality and meaningfully shared decisions that involve the staff in the decision making process, both communication internally and externally, and problems with obtaining and allocating organizational resources.

We recognize that the complex and persistent management problems of OSERS cannot be solved immediately. However, the new management team in OSERS considers returning sound management practices and improved morale to OSERS to be one of its highest priorities.

It is important to note that despite the problems identified by the GAO, OSERS has continued to award and administer programs in appropriations of approximately $3.7 billion per year. Funds have been obligated to grantees on schedule and services to students and clients have not been interrupted.

As a result of our review of the needs of OSERS, we are planning corrective actions to address areas related to goal setting, management of human resources and in the grant-making process, and our relationship with the States.

OSERS will develop a set of cross-cutting goals intended to provide a conceptual framework for the administration of programs and the allocation and use of Federal resources.

These goals complement and help guide the more specialized and shorter-term plans now used for budgeting, grants and contracts scheduling and management, program monitoring, and the development of regulations.

I have already conducted a one-day retreat with my senior management team to begin the process of developing OSERS-wide goals

and objectives. We intend to establish a management system in OSERS that can measure our success in achieving these goals.

I have also asked senior management officials of OSERS to meet with their key staff to develop additional goals and objectives for each of the OSERS components.

These goals will be developed in full consultation with the professional staff in the three OSERS components, and with the rehabilitation, special education, and research communities.

Rehabilitation Services Commissioner Carney, for example, has already begun to solicit input from state agencies and other organizations on a strategic plan for RSA. The management relationships between the Office of the Assistant Secretary and the OSERS components are another major area of concern.

As a first step in improving management relationships, it is our intention to move to a more decentralized management style. My management philosophy has always been to give senior managers the authority to do their jobs and hold them accountable for the results.

We have already taken several actions to pursue a more decentralized management approach. For example, most requests for travel no longer require the approval of the Assistant Secretary. This authority has been delegated to the individual managers.

I meet on a regular basis with senior management officials to review OSERS-wide issues and problems. Each of the component heads conducts similar meetings with their key staff. In summary, we are moving OSERS toward a more collaborative management system.

The GAO report has substantial findings in the area of human resources management. Unfilled positions, positions occupied for long periods on an "acting" basis, lack of staff competence, and a high staff turnover rate were cited as problems.

OSERS has never "hired up" to the present staff ceiling of 424 FTE. We are trying to improve our performance in filling permanent positions. RSA has just filled two critical Regional Commissioner vacancies and expects to fill the remaining vacancy soon. We intend to discuss with our appropriate department offices ways to expedite the recruitment of key personnel.

We also believe that more specialized training for staff would be desirable. The Horace Mann Learning Center has provided approximately 4,300 hours of managerial and administrative training to OSERS employees in the fiscal year 1988 and more than 7,000 hours through July 25, 1989.

We will explore with the Office of Personnel mechanisms for providing more specialized training to OSERS staff. We are also exploring methods of providing expanded staff development opportunities internally.

A department-wide Education Program Curriculum Committee has been established to review the training needs of education program specialists and those in related job series, and to recommend training and other development actions to maintain their expertise.

Program accountability is a high priority of the department. The department is developing a series of interrelated program, management, and regulatory changes as part of an "Accountability Initia-

tive" designed to better measure the use and effect of Federal funds.

For example, evaluation criteria for making new awards and continuation awards are being reviewed to determine how grantee performance may be better linked to funding. The "Accountability Initiative" is expected to result in more extensive monitoring of grantees.

In addition, it is our intention to place the monitoring of the EHA-B program on a more timely and systematic basis. Great progress has been made in reducing a backlog of final reports.

We expect to make available shortly a prospective schedule of EHA monitoring visits and believe that sufficient resources will be available to meet this schedule.

Another area to address is the provision of technical assistance to the states. The Office of Special Education Programs (OSEP) has initiated efforts to review the role of clearinghouses, institutes, regional resource centers, and other projects that provide technical assistance to the field.

OSEP will identify and implement strategies to better link, coordinate, and expand OSEP technical assistance and leadership efforts to the field as well as to better interface with RSA, the National Institute on Disability and Rehabilitation Research, and other offices within the Department of Education.

The Fiscal Year 1990 RSA workplan will include a technical assistance component. The new RSA Commissioner regards the provision of timely technical assistance as a top priority because of its preventive qualities.

We believe that our new management team, which includes three senior managers with extensive experience in state government, will effect changes which will improve relations with state agencies.

Our planning activities will be designed so that our state partners will have full opportunity to have their views considered. I believe we are making a fair, frank, and honest assessment of organizational and management problems in OSERS.

The GAO survey of employee and constituent perceptions has been useful in this process. I hope I have been able to give you some sense of the many positive and constructive changes that are happening in OSERS which I believe will improve our performance in a number of important areas.

I would be pleased to answer any questions you might have. Thank you.

[The prepared statement of Dr. Robert R. Davila follows:]

STATEMENT OF

ROBERT R. DAVILA

ASSISTANT SECRETARY FOR SPECIAL EDUCATION

AND REHABILITATIVE SERVICES

U.S. DEPARTMENT OF EDUCATION

ON

MANAGEMENT OF THE

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

BEFORE THE

SUBCOMMITTEE ON SELECT EDUCATION

U.S. HOUSE OF REPRESENTATIVES

SEPTEMBER 7, 1989

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the management of the Department's special education and rehabilitation programs.

Let me first say how pleased I am to be representing the Department, and the Administration, working in a leadership role in a program area to which I have devoted my professional career. I hope that this hearing will be the first of many in which I can work with the Subcommittee to improve the effectiveness of programs for Americans with disabilities.

Although we have questions about the methodology on which the GAO report was based, many of the conclusions in the report are consistent with my own assessment of management problems in OSERS. In particular, I have concerns regarding excess centralization of authority, lack of collegiality and meaningfully shared decision making, poor communications internally and externally, and problems with obtaining and allocating organizational resources. We recognize that the complex and persistent management problems of OSERS cannot be solved immediately. However, the new management team in OSERS considers returning sound management practices and improved morale to OSERS to be one of its highest priorities.

It is important to note that despite the problems identified by GAO, OSERS has continued to award and administer program appropriations of approximately $3.7 billion per year. Funds have been obligated to grantees on schedule and services to students and clients have not been interrupted.

As a result of our review of the needs of OSERS, we are planning corrective actions to address areas relating to goal setting, management of human resources and the grant-making process, and our relationship with the States.

OSERS will develop a set of cross-cutting goals intended to provide a conceptual framework for the administration of programs and the allocation and use of Federal resources. These goals will complement and help guide the more specialized and shorter-term plans now used for budgeting, grants and contracts scheduling and management, program monitoring, and the development of regulations.

I have already conducted a one-day retreat with my senior management team to begin the process of developing OSERS-wide goals and objectives. We intend to establish a management system in OSERS that can measure our success in achieving these goals. I have also asked senior management officials of OSERS to meet with their key staff to develop additional goals and objectives for each of the OSERS components. These goals will be developed in full consultation with the professional staff in the three OSERS components, and with the rehabilitation, special education, and research communities. Rehabilitation Services Commissioner Nell Carney, for example, has already begun to solicit input from State agencies and other organizations on a strategic plan for RSA.

The management relationships between the Office of the Assistant Secretary (OAS) and the OSERS components are another major area of concern. As a first step in improving management relationships, it is our intention to move to a more decentralized management style. My management philosophy has always been to give senior managers the authority to do their jobs and hold them accountable for the results. We have already taken several actions to pursue a more decentralized management approach. For example, most requests for travel no longer require the approval of the Assistant Secretary. This authority has been delegated to the individual component heads.

I meet on a regular basis with senior management officials to review OSERS-wide issues and problems. Each of the component heads conducts similar meetings with their key staff. In summary, we are moving OSERS toward a more collaborative management system.

The GAO report has substantial findings in the area of human resources management. Unfilled positions, positions occupied for long periods on an "acting" basis, lack of staff competence, and a high staff turnover rate were cited as problems. OSERS has never "hired up" to the present staff ceiling of 424 FTE. We are trying to improve our performance in filling permanent positions. RSA has just filled two critical Regional Commissioner vacancies and expects to fill the remaining vacancy soon. We intend to discuss with the appropriate Department offices ways to expedite the recruitment of key personnel.

We also believe that more specialized training for staff would be desirable. The Horace Mann Learning Center has provided approximately 4,300 hours of managerial and administrative training to OSERS employees in FY 1988 and more than 7,000 hours through July 25, 1989. We will explore with the Office of Personnel mechanisms for providing more specialized training to OSERS staff. We are also exploring methods of providing expanded staff development opportunities internally. A Department-wide Education Program Curriculum Committee has been established to review the training needs of Education Program Specialists and those in related job series, and to recommend training and other development actions to maintain their expertise.

Program accountability is a high priority of the Department. The Department is developing a series of interrelated program, management, and regulatory changes as part of an "Accountability Initiative" designed to better measure the use and effect of Federal funds. For example, evaluation criteria for making new awards and continuation awards are being reviewed to determine how grantee performance may be better linked to funding. The "Accountability Initiative" is expected to result in more extensive monitoring of grantees. In addition, it is our intention to place the monitoring of the EHA-B program on a more timely and systematic basis. Great progress has been made in reducing the backlog of final reports. We expect to make available shortly a prospective schedule for EHA monitoring visits and believe that sufficient resources will be available to meet this schedule.

Another area we plan to address is the provision of technical assistance to the States. The Office of Special Education Programs (OSEP) has initiated efforts to review the role of clearinghouses, institutes, regional resource centers, and other projects that provide technical assistance to the field. OSEP will identify and implement strategies to better link, coordinate, and expand OSEP technical assistance and leadership efforts to the field as well as ways to better interface with RSA, the National Institute on Disability and Rehabilitation Research, and other offices within the Department of Education.

The FY 1990 RSA workplan will include a technical assistance component. The new RSA Commissioner regards the provision of timely technical assistance as a top priority because of its preventive qualities.

We believe that our new management team, which includes three senior managers with extensive experience in State government, will effect changes which will improve relations with State agencies. Our planning activities will be designed so that our State partners will have full opportunity to have their views considered.

I believe that we are making a fair, frank, and honest assessment of organizational and management problems in OSERS. The GAO survey of employee and constituent perceptions has been useful in this process. I hope that I have been able to give you some sense of the

many positive and constructive changes that we are making in OSERS which I believe will improve our performance in a number of important areas.

I would be pleased to answer any questions you might have.

Chairman OWENS. Thank you very much, Mr. Secretary. I suspect that you have been briefed on this process and you know a little bit about the history of the events which brought us to the present situation with respect to this review by GAO.

The subcommittee is certainly not concerned with micromanaging your Department. We have no intention to try to micromanage any aspect of the work of our jurisdiction.

We do think it is very important to note for the record, however, that in attempting to exercise our oversight function, we ran into a field of hostility and unresponsiveness. We got no responses as a result of our initial efforts to try to deal with the complaints that had come to us from the agencies in the field and from the people who are the beneficiaries of the programs under the jurisdiction of OSERS.

As a result of not getting any positive response, we moved to become more and more involved in trying to determine what the problem was. That is what has brought us to the present situation.

The problems are considerable—have been considerable. We look forward to your positive approach, both to the responsiveness with respect to the oversight of this committee, and also in general steps you have taken already. They have been laudable, although you have been in a very short period of time.

So, we look forward to working with you, but we nevertheless think that it is important to pursue the details of what we have discovered and we hope that you will take full advantage of the work that has been done by GAO. I again applaud them for the job that they have done already.

I would like to note also, Mr. Secretary, that you have answered quite a number of questions that were put to you by members of the House and the Senate. We submitted questions to Senator Harkin. He submitted to you questions that were submitted by various congressmen and senators in the preconfirmation process.

None of that is on the record at this point, so I would like to, if there are no objections, place into the record the questions that were submitted to you, Dr. Davila, and the responses that you gave.

Without objection, we will submit these for the records and have it on the record.

[The material follows:]

GALLAUDET UNIVERSITY

PRE-COLLEGE PROGRAMS
OFFICE OF THE VICE PRESIDENT
(202) 651-5015

KENDALL GREEN
800 FLORIDA AVENUE N.E.
WASHINGTON, D.C. 20002

June 30, 1989

The Honorable Tom Harkin
Chairman
Senate Subcommittee on the
Handicapped
Senate Hart Office Building
Washington, D.C. 20510-6310

Dear Senator Harkin:

I am pleased to submit for your review, and that of the Committee, the responses to the questions recently received relative to my nomination to the position of Assistant Secretary for Special Education and Rehabilitative Services in the U. S. Department of Education. If I can provide you with any further information, please let me know.

I look forward to working with you and the Committee in the future. Thank you.

Sincerely,

Robert R. Davila
Vice President

Enclosure

Harkin

Question:

1. Why did you decide to leave your current position at Gallaudet University and accept the nomination to become the Assistant Secretary for Special Education and Rehabilitative Services?

Answer:

My present position as a senior officer at Gallaudet University has been a source of great personal satisfaction and fulfillment. However, I am motivated by a firm desire to serve my country in a position where my training, experience and personal attributes would be useful in service to Americans with disabilities and their families and advocates. I am a product of special education and I am grateful for the support and assistance I have received throughout my life. I wish to repay our nation for this assistance by assuming greater public service responsibility.

Harkin

Question:

1. Why did you decide to leave your current position at Gallaudet University and accept the nomination to become the Assistant Secretary for Special Education and Rehabilitative Services?

Answer:

My present position as a senior officer at Gallaudet University has been a source of great personal satisfaction and fulfillment. However, I am motivated by a firm desire to serve my country in a position where my training, experience and personal attributes would be useful in service to Americans with disabilities and their families and advocates. I am a product of special education and I am grateful for the support and assistance I have received throughout my life. I wish to repay our nation for this assistance by assuming greater public service responsibility.

Harkin

Question:

2. What is your vision for people with disabilities in America? What are the major obstacles and most pressing needs faced by people with disabilities? Do you agree with the findings of the National Council on Disability, the Civil Rights Commission and the recent polls conducted by Lou Harris that discrimination against people with disabilities is still pervasive?

Answer:

Americans with disabilities represent a powerful and important resource within our society. However, I believe, as recent polls and reports have indicated, that discrimination against persons with disabilities is still pervasive. Robert Funk writing in "Images of the Disabled, Disabling Images," states that "the general public does not associate the word 'discrimination' with segregation and exclusion of disabled people." People assume that the absence of persons with disabilities in the community, in schools and in the marketplace is the result of the fact that they cannot be served there. This assumption is now being challenged by the Congress, the courts, policy-makers, Americans with disabilities and their advocates and professionals in education and rehabilitation. As a consequence of this remarkable movement to promote persons with disabilities to the forefront and provide them with equal access and opportunity, we are beginning to see a lessening of this devastating discrimination and the development of a more positive attitude of acceptance and public support. This positive trend has resulted in increased opportunities in education, employment and community living for persons with disabilities because images based on false assumptions and stereotypes have given way to more realistic and enhancing public acceptance and support. Nevertheless, attitudes based on misinformation and ignorance continue to be major obstacles to integration and self-fulfillment. Clearly, the most pressing need continues to be access to all facets of American life through appropriate education, training and preparation for employment and independent living.

I see a future when all Americans, whatever their special identity and distinguishing characteristics, will have equal access to opportunities in education, training, employment and community life. This is the vision that has guided my own personal outlook and which will continue to guide me as I begin work in my new position. We have made remarkable progress in the last fifteen years but more remains to be done.

Harkin

Question:

3. In your capacity as the Assistant Secretary, what role will OSERS play in making your vision become a reality, eliminating obstacles, addressing the pressing needs, and eradicating discrimination?

Answer:

OSERS, with its program mandates and funding authority, represents the Federal commitment to the education and rehabilitation of citizens with disabilities of all ages. However, I see the Federal commitment as reaching far beyond its monitoring responsibilities and funding authority--it must provide the leadership and vision that will make equal access to opportunity for the disabled a reality. I see my responsibility as Assistant Secretary to provide that leadership through good administration and management practices, fair and objective priority setting, strong advocacy for and articulation of the needs of the disabled, and promoting positive and enhancing public attitudes. I will bring to my responsibilities credibility based on high personal standards and a successful record of personal and professional accomplishments. Furthermore, I am a product of the system I am being asked to lead. I want to make the system work for every man, woman and child who is disabled. Every time we highlight the accomplishments and the success of persons with disabilities, we do much to eradicate negative attitudes that create obstacles to progress. OSERS has a very important role to play in creating the climate and environment for great achievements.

Harkin

Question:

4. Please identify the five major objectives you have set for yourself in the next 12, 24, and 36 months. Please identify the five major objectives you will set for RSA with the new Commissioner for the next 12, 24 and 36 months? Please do the same with respect to NIDRR and OSEP.

Answer:

I intend to implement internal management structures to promote greater collaboration and interface among OSEP, RSA and NIDRR. Below are my goals for each of the subunits. For the first year of my service, I will be devoting particular attention to the following goals:

+ Implement a management structure within the department that will ensure efficient and effective use of personnel and resources to meet the needs of all individuals with disabilities.

+ Identify and communicate an agenda for OSERS that will reflect a clear statement of goals and funding priorities for FY 1991. Some of the program areas of high priority will include support for early intervention and early childhood education, independent living, transition to postsecondary and employment placements, recruitment and retention of rehabilitation and special education personnel and diffusion of research and demonstration results among others.

+ Identify and develop a strategic plan for new initiatives and programs for the 1990's designed to improve special education and rehabilitative services to all persons with disabilities.

+ Foster greater collaboration among the various communities and groups of the disabled.

+ Initiate a program of increased collaboration among all agencies and programs providing services to the disabled.

+ Monitor and promote progress on implementation of the recommendations made by the Commission on Education of the Deaf.

Harkin - 4 (continued)

The goals for each of the subunits for the first year and beyond are as follows:

OSEP

First Year:

- Review, evaluate and facilitate on-going programs and activities within OSEP which support special education within the states.
- Identify and implement refinements within the Federal special education monitoring system. Such refinements will emphasize reliability consistency, timeliness and system enhancement.
- Finalize a Programmatic Mission Statement to guide efforts to support special education within the states during the 1990's.
- Utilize a national advisory committee to develop short and long range strategies to support rigorous special education recruitment and retention activities within the states.
- Identify effective initiatives and strategies to facilitate intra and interagency programmatic collaboration.
- Identify initiatives and strategies to increase the extent and quality of interaction between students with disabilities and their peers who are not disabled.

Second and Third Years:

- Review the efficiency and effectiveness of the Federal special education monitoring system and implement on-going refinements.
- Evaluate consistency between the Special Education Programmatic Mission Statement and on-going OSEP activities.
- Implement and evaluate strategies to support special education recruitment and retention efforts within the States.

Harkin - 4 (continued)

+ Implement and evaluate initiatives and strategies designed to enhance intra and interagency programmatic collaboration.

+ Implement and evaluate initiatives and strategies to enhance the extent and quality of interactions between students with disabilities and their peers who are not disabled.

RSA

First Year:

+ Review and develop response plan to management concerns identified by the GAO study.

+ Develop and implement short-term management objectives for RSA.

+ Identify and communicate major program goals and funding priorities for RSA.

+ Establish meaningful relationships with service providers and consumers of services to strengthen and broaden the RSA constituencies.

+ Review and revise, as may be indicated, the policy development process within RSA.

+ Work closely with the Commissioner of RSA on the reauthorization of the Rehabilitation Act.

Second and Third Years:

+ Identify new initiatives and begin implementing long-range program objectives for RSA.

+ Refine and extend technical assistance services to State programs through the regional RSA offices.

+ Implement and evaluate initiatives and strategies designed to enhance intra and interagency programmatic collaboration.

+ Implement and evaluate initiatives and strategies to enhance the extent and quality of program services and the placement experience with RSA clients.

Harkin - 4 (continued)

NIDRR

First Year:

+ Implement the new Technology Related Assistance for Individuals with Disabilities Program; develop systems for monitoring and evaluating.

+ Initiate a long-range planning process for new initiatives that will ensure involvement of consumers and other constituents.

+ Assess the extent to which current reporting and monitoring practices facilitate or impede program accountability.

+ Complete the development of and begin the implementation of a computerized program information system that will facilitate program management and permit greater public access to NIDRR program information.

+ Collaborate with OSEP and RSA personnel to promote interface and collaboration among all subunits in OSERS.

Second and Third Years:

+ Continue to expand the Technology Related Assistance program; implement site visits for extension grants; submit evaluation report to Congress by 10-1-92.

+ Complete the implementation of the program information system, including information entry, training and expansion to facilitate public access.

+ Prepare a new long-range plan for research that appropriately reflects the priority needs of special education and rehabilitative services.

+ Enhance the dissemination and utilization of research results through improved diffusion systems and strategies.

Harkin

Question:

5. I'm sure you have been briefed on the assertions made about the management problems within OSERS (including problems within the Office of the Assistant Secretary, and within RSA, NIDRR and OSEP and between the various offices). Problem areas which have been identified include: the low morale of staff, vacancies in key positions, other positions filled on an "acting" basis, difficulty in recruiting qualified personnel, the lack of management plans and objectives, micro-management, the strained relationship with the state partners, problems with monitoring, lack of technical assistance, delays in issuing regulations and other policy guidance, delays in issuing RFPs in a timely manner and delays in awarding discretionary grants and contracts. These are very serious assertions. What is your assessment of the validity of each of these assertions? What is your assessment of the nature and severity of the management problems you will be facing? What steps will you take to address these problems? What is your timeline?

Answer:

I am broadly familiar with these assertions and I recognize their seriousness. I have not yet been in a position to make a detailed assessment of the validity of each assertion. However, I believe that the fact that these assertions have been raised in this manner indicates that strong and concerted actions need to be taken to address them. I will work with the new heads of OSERS components to correct the problems that exist.

I assure this Committee that I will carefully evaluate these assertions and take whatever steps are appropriate to rectify any problems.

Harkin

Question:

6. What is your understanding of the legal relationship between the Assistant Secretary and the Commissioner of RSA? The Director of NIDRR? The Director of OSEP? What management style will you employ with respect to the heads of each of these program operating components? Will your relationship with the Commissioner of RSA and the Director of NIDRR differ to any degree with the Director of OSEP?

Answer:

Under the Department of Education Organization Act, the Assistant Secretary for OSERS supervises the respective heads of the Rehabilitation, Rehabilitation Research and Special Education programs. The Assistant Secretary is in turn supervised by and reports to the Secretary. The legal relationship between the Assistant Secretary and the Commissioner of the Rehabilitation Services Administration was discussed and clarified in an opinion from the Office of the General Counsel, which confirmed the Assistant Secretary's supervisory role concerning the Commissioner.

My management style for matters of priority setting, program leadership, and the exploration and resolution of complex issues specific to individual programs will involve close consultation with the heads of RSA, NIDRR and OSEP. Consensus-building will be my top priority. I do not expect that there will be any differences in how I will regard or work with the program heads. I regard the two program heads who have been appointed or nominated to date as being exceptionally well-qualified for their roles of providing Federal leadership for OSEP and RSA programs.

Harkin

Question:

7. At a hearing I held on October 8, 1987, Madeleine Will identified serious problems of program fragmentation, lack of program coordination and integration among the programs administered by OSERS. She also stated that they would be completing a report with recommendations by April, 1988 and the recommendations would be presented to Congress. She also stated that the answer to the problem might involve changes in both the statutory and regulatory structures of the current programs as well as new administrative arrangements.

   What is the status of this report? If completed, when will it be shared with Congress? What is your position on these issues?

Answer:

I am strongly committed to improving program coordination among the various programs administered by OSERS. I believe that significant progress can be achieved by improved management within OSERS. However, I do not foresee a need for statutory or regulatory changes at this time.

Harkin

Question:

8. What are your plans for continuing the major policy initiatives (such as the regular education initiative and supportive employment) developed by Madeline Will?

Answer:

I support the continuation of the major policy initiatives developed by Ms. Will. Inasmuch as my goal will be to use my office to do what I can to enable all persons with disabilities to develop to their full potential and to enhance their ability to be productive members of society, major initiatives already underway to obtain supported employment, competitive employment, and post-secondary education for persons with disabilities will continue to be important major efforts. I also support the regular education initiative even though I recognize that there are concerns that it could be used as a justification for placing children with disabilities in regular education classrooms without providing them with the special education, related services and other support services that they need to succeed. Nevertheless, I think the general education initiative provides a major opportunity for schools to expand educational alternatives for students with disabilities. I believe that OSERS must monitor its implementation carefully to make certain that it is consistent with the EHA and that handicapped children who are in regular classrooms receive the special education and related services they need.

I also support the initiative to effect smooth transition from school to work to independent living. In order to enhance these transitions, better coordination needs to occur among all agencies providing services to persons with disabilities. Schools, vocational education programs, rehabilitation agencies, health care agencies, etc., must develop regular and systematic exchange of information about individual student programs and collaborate to effect progress.

I support the traumatic brain injury initiative and would like to see increased research in TBI in order that service delivery systems can be improved.

The early childhood initiative represents an important education reform initiative that has had its most positive development with handicapped children. Early intervention with handicapped preschool children

Harkin - 8 (continued)

and their families increases the likelihood of programmatic success in later years. This is an important initiative that I would like to see further developed.

Throughout all of these initiatives developed by Ms. Will, and which I would continue to promote and develop, special attention must be paid to the needs of female and minority students to offset the traces of biases and stereotyping based on sex, race and national origin.

Harkin

Question:

9. What policy initiatives do you plan on pursuing?

Answer:

Aside from continuing to support the initiatives already under development, as addressed above, I would like to place major emphasis on early intervention programs, including infant and toddlers and early childhood programming with accompanying family education support. These education reform initiatives hold promise for greater chance of success in later stages of development.

I would also like to see increased support and development of model programs for independent living. Inasmuch as the baseline goal of education and rehabilitation is to help an individual to function as independently as possible in the community, we must continue to provide support to individuals who need continuing assistance to maintain their full measure of independence as productive members of the community.

I would like to initiate important efforts to alleviate the serious issue of special education teacher quality and critical teacher shortages. The reform movements underway to develop alternative certification and licensure requirements for teachers and administrators are initiatives that have appropriateness for special education as well. Issues and problems related to the recruitment and retention of special education teachers, especially those working with severely disabled students, must be addressed if we are to meet needs and challenges confronting us now and in the future. The lack of sufficient numbers of minority special education personnel has reached alarming proportions and needs critical attention. Imaginative recruitment programs supported by affordable and effective incentives need to be developed.

I would like to initiate a program of increased collaboration between all agencies and programs providing services to persons with disabilities and other groups in the community who also need to support and assist them. I would like to see OSERS develop effective mechanisms to foster interagency collaboration on issues affecting individuals and their families. The Handicapped Infants and Toddlers Program requires

Harkin - 9 (continued)

that each state establish a state interagency coordinating council. These councils will have responsibility for developing statewide, comprehensive, multidisciplinary interagency programs to deliver early intervention services. These councils may well become models for more far-reaching collaboration. Such a model could very well promote more efficient and effective interface between special education, vocational education and vocational rehabilitation as well as other health-care and community-based agencies also serving the handicapped individual.

I would also like to initiate vigorous recruitment of qualified persons with disabilities for positions in departments and agencies served or managed by OSERS. Special attention also needs to be given to persons with disabilities who are also women and members of racial and ethnic minority groups.

Harkin

Question:

10. The Heritage Foundation has developed an education blueprint for the new Administration. Their proposal includes combining special education into a block grant with other programs and eliminating the obligation of States to provide a free public education to students with disabilities and substituting a means test.

What is your position on these proposals?

Answer:

The Administration and the Department share my strong commitment to the Education of the Handicapped Act requirement that States provide a free appropriate public education for all students with disabilities. I would strongly oppose any effort to include the EHA program in a block grant proposal and do not anticipate that such a proposal would be made or supported by this Administration.

Harkin

Question:

11. What general approach and specific steps will you take to bring and keep together the disability community?

Answer:

One of the highest priorities I have identified for myself as Assistant Secretary is to become personally familiar with issues and concerns and the broad perspectives of the disability community through frequent communications and contacts with representatives and advocates of persons with disabilities. I am not unfamiliar with individuals and organizations who represent the larger communities of citizens with disabilities. One of my personal strengths is my ability to communicate my views and policies and negotiate compromise on critical issues. I intend to be a very visible Assistant Secretary who will seek the advice, input and opinions of those who are themselves disabled or who advocate for them. Throughout my professional career I have been very effective in working closely with parents and families of persons who are disabled. I intend to maintain this close liaison. One of the specific strategies which I will apply to keep the disability community together will be to create an advisory council to the Assistant Secretary made up of persons from a cross-section of the disability community and their advocates. I also intend to travel widely to visit and address groups and organizations representing citizens with disabilities. I am also committed to the employment of qualified persons with disabilities in positions under my administrative responsibility.

Harkin

Question:

12. What steps will you take to ensure meaningful input from people with disabilities affected by OSERS programs? By parents who have children with disabilities? By professionals?

Answer:

As I stated in answer to the question above, I intend to be a very visible Assistant Secretary and plan to travel widely to visit and address groups and organizations who are involved in special education, rehabilitation and other support programs for the disabled. I also plan to write for publications and journals to report on OSERS programs and progress and to share information and views. As a person with a severe disability as well as a professional educator of long standing, I am comfortable interacting with professionals, parents and persons with disabilities of all ages. I do not anticipate any difficulties in establishing rapport and effective communication channels with the various constituencies served by OSERS. I will also expect that key administrators and personnel in OSERS will also make themselves available for input and meaningful exchanges with their constituents.

Harkin

Question:

13. What is your position on affirmative action for hiring people with disabilities in the Department? What steps will you take to carry out this position?

Answer:

The Office of Special Education and Rehabilitative Services historically has placed a high priority on hiring people with disabilities. Under my leadership this policy will continue to be a high priority in OSERS. After confirmation of the Assistant Secretary of OSERS and the Commissioner of RSA, three out of the four top leadership positions in OSERS will be filled by people with disabilities.

Harkin

Question:

14. Secretary Bennett virtually ignored the special needs of children and adults with disabilities. His concern with school reform, including the Nation At Risk, did not provide the necessary focus on the quality of education provided to handicapped students. What steps will you take to ensure that Secretary Cavazos focuses his attention on the needs of handicapped students and adults?

Answer:

I believe that Secretary Cavazos has begun to focus more attention on the needs of students and adults with disabilities. He has stated frequently his commitment to ensuring that each student, including those with disabilities, reaches his or her fullest potential. I expect to work closely with the Secretary to develop priorities that address the needs of people with disabilities.

Harkin

Question:

15. Other programs administered by the Department of Education are designed to meet the needs of people with disabilities. What steps will you take to work with the other assistant secretaries to advocate for the rights of people with disabilities to full and equal access to these programs?

Answer:

I intend to meet with the other Assistant Secretaries to discuss joint efforts that we can undertake to coordinate services. I also intend to continue the coordination efforts with the Office of Elementary and Secondary Education that are part of the Regular Education Initiative. Improving coordination between the OSERS programs and the Office of Vocational and Adult Education programs will also be an important priority.

Harking

Question:

16. Currently, there exists a memorandum of understanding between OSERS and OCR for coordinating the implementation of 94-142 and Section 504. Do you believe that this MOU needs to be reviewed and reworked?

Answer:

I will be reviewing the current MOU and assessing how effective it has been in coordinating the implementation of the Education of the Handicapped Act and section 504. If I believe that changes are needed, I will take steps to initiate those changes.

Harkin

Question:

17. What is your position on the LRE provision of P.L. 94-142?

Answer:

The law is quite clear in mandating that to the fullest extent possible, children with disabilities should be educated with non-disabled peers. I agree with and will support this requirement. However, I also believe that the law is quite clear in requiring that decisions about placement be made at the IEP conference on the basis of a child's identified individual needs and that parents, or the child's advocate, be involved as active participants in the placement decision.

Harkin

Question:

18. As you know, the Commission on the Education of the Deaf submitted a report to Congress. Assistant Secretary Will has responded to the report in testimony before the Subcommittee on the Handicapped and in follow-up letters to me. Please review her testimony and her responses and let me know:

-- whether you agree with her position on each major recommendation and if not what your position will be;

-- whether you are satisfied with the steps the Department is taking to implement the recommendations that Ms. Will agreed with and any additional steps you plan on taking.

I would appreciate it if you would focus particular attention on the recommendation in COED concerning P.L. 94-142 and the provision of a free appropriate public education to deaf children.

Answer:

I plan to conduct a thorough review of Mrs. Will's positions on the Commission on the Education of the Deaf recommendations. I do intend to focus particular attention on the recommendation concerning P.L. 94-142 and a free appropriate public education to deaf children. I will submit my response to this question to the Committee in mid August.

Harkin

Question:

19. The GAO recently completed a study of the P.L. 89-313 program. Do you have any reactions to this study?

Answer:

The GAO submitted a draft of the study to the Department. I understand that the Department concurred with GAO's recommendations but raised several concerns. The Department was concerned about how children aged birth through two years who were included in the P.L. 89-313 program would be counted and whether funds should be set aside for services only to severely handicapped children in State facilities and public schools. In addition, the Department recommended that any proposed program must be developed in light of the least restrictive environment requirement under the Education of the Handicapped Act (EHA).

I believe that the concerns raised by the Department need to be considered in merging these programs. Furthermore, if the recommendation is implemented, I would want to monitor the situation to ensure that children who were receiving support under the P.L. 89-313 program continue to be served.

Harkin

Question:

20. The Department, in recent testimony before the Subcommittee on the Handicapped, recommended that the Deaf-Blind and Severely Handicapped programs be combined. Is that your position?

Answer:

I have not had an opportunity to study the proposal in depth. However, I think there are a number of issues to be considered in looking at this matter. A separate authorization has been maintained for Deaf-Blind Projects since 1968. However, circumstances have changed substantially over the years. The program was originally intended primarily to provide direct services to children who were born both deaf and blind during the rubella epidemic of the early 1960's. At that time, many handicapped children were receiving few, if any services. Since the passage of the Education for All Handicapped Children Act in 1975, the States have gradually assumed a greater and greater responsibility for serving handicapped children, including those who are deaf and blind. The new Preschool Grants program enacted in 1986 will further expand State responsibilities with regard to children ages 3 through 5.

My understanding is that there has been a shift in program focus away from direct services to children whom the States are required to serve and toward technical assistance, demonstrations, and services to children States are not required to serve. However, we know that the needs of deaf-blind children often overlap with those of other severely handicapped children. For example, State systems for serving severely handicapped children also serve deaf-blind children. Deaf-blind children benefit along with other severely handicapped children when these State systems are improved. Combining the Deaf-Blind Projects and Severely Handicapped Projects activities may very well encourage improved services for both deaf-blind and other children with severe handicaps.

Harkin

Question:

21. On October 8, 1986 Congress passed P.L. 99-457, which included a new program for handicapped infants and toddlers. We still do not have final regulations implementing this program. Many people have said that OSERS' commitment to this program is marginal. In the first two years of the program the Department recommended zero funding for this program.

This program is one of my top priorities. Is it one of yours? What do you plan to do to get the regulations out? To take a leadership role on ensuring that states stay in the programs? To make sure the Department recommends adequate funding?

Answer:

I am personally committed to the Early Intervention Program. I consider this program to be an important part of the Administration's commitment to ensuring a better future for all children including those with special needs.

The final regulations for this program have been published in the Federal Register. These regulations will provide important guidance on the implementation of this program.

For the past two years, each State has participated in the program. During that time OSEP has provided significant technical assistance to States to help them develop their state-wide programs. I intend to continue to provide technical assistance and I believe this effort will encourage States to stay in the program.

I am aware that the previous administration recommended no funding for the program for fiscal year 1987 and 1988. However, for the past two years, the Administration recommended increases for the program. I intend to recommend adequate funding for the program to meet the needs of handicapped infants and toddlers.

Harkin

Question:

22. Last year Congress passed the Technology-Related Assistance for Individuals with Disabilities Act of 1988. This legislation, which I sponsored, is very important to me. Is this legislation a high priority for you? If so, what are your plans for implementing it and advocating for additional funding? Will you continue the OSERS Task Force on Rehabilitation Technology and if yes, what will be your focus and direction of the Task Force?

Answer:

I believe that Public Law 100-407 provides an unprecedented opportunity to assist individuals with disabilities to improve their lives through the use of appropriate assistive technology.

As you know, the President's budget requests $10.65 million for this program in FY '90, more that double the first year's appropriation, which would permit the Department to award approximately 9 new grants in FY '90. I support this request for additional funding in FY '90 and will support any future increases that are needed to carry out the objectives of the program.

I will need to review the purpose of the OSERS Task Force on Rehabilitation Technology before I can determine whether the Task Force should be continued and what its role, if any, should be. The Technology Assistance program provides a number of opportunities for constituent input, which I need to consider before making a decision about the Task Force.

Harkin

Question:

23. We have heard testimony about the severe personnel shortages in special education and rehabilitation. Do you have any idea on how to address this crisis?

Answer:

In special education, the latest reported data from the States identified a need for 27,407 additional teachers to serve children and youth with handicaps and 13,720 additional related services personnel. The Federal government can best address the problem of shortages by assisting States in building State capacity. This can be accomplished both through the formula grant program (inservice) and the discretionary grant programs (demonstrations, research, and personnel training).

If the data so indicate, the Federal government could focus its resources on: direct support of recruitment and retention activities; technical assistance for implementing the States' Comprehensive Systems of Personnel Development (CSPD) plan, development of new training programs, and the improvement of existing programs. Technical assistance that addresses the above-mentioned areas is critical. Finally, the Department could provide incentives to personnel certified in surplus areas to become certified in severe shortage areas.

In rehabilitation, the Department has been very active in pursuing remedies to the problem through such activities as studies of personnel shortages in 1987 and 1989 to better enable the Department to target training grant funds to identified areas of personnel shortage, as required by statute; and forums in the fall of 1988 to gather input regarding rehabilitation training.

I support continued efforts to publish training priorities that focus training grant programs on identified needs and to develop new training models through the Experimental and Innovation authority.

Harkin

Question:

24. What steps would you take to improve opportunities for interaction between children with severe multiple *handicaps and their non-handicapped peers? Would you* target discretionary EHA funds to accomplish this objective? Would it be one of your top priorities?

Answer:

Integrating children with severe handicaps with nonhandicapped peers in regular education settings has been and will continue to be a top priority of OSERS. I know this is a high priority of the new Director of OSEP. We will work together to plan discretionary program priorities that focus on this objective.

Harkin

Question:

25. How will you enhance and strengthen family support opportunities within the programs under your administration?

Answer:

As Assistant Secretary, I intend to encourage the support, empowerment, and self-determination of families with special needs by:

- Developing a system for coordinating the research, training, and service delivery activities within between, and among OSERS' components;
- Providing all members of my staff and people in the field with a clear set of family-centered goals, objectives, and priorities that will improve the ways in which OSERS conducts programs for and disseminates information to families with special needs;
- Focusing OSERS' priorities and activities on the strengths of families and eliminating the tendency to view families with special needs as "dysfunctional" and pathological;
- Developing a plan to increase and strengthen attempts to reach out to include more minority families, traditionally underserved families, and single-parent families in OSERS' priority announcements, as members of peer review panels, as participants in long-range planning meetings, and as participants in regional and national conferences; and
- Basing OSERS' research, training, and service delivery programs on the philosophy that strong family involvement and support are the main elements of successful programs, and most importantly, of successful outcomes for children.

Kennedy

Question:

1. In what ways should the special education monitoring process be improved? What steps would you take to foster improvement? How would you enforce compliance with the Education of the Handicapped Act?

Answer:

The goal of the special education monitoring process should be to ensure that all handicapped children receive the special education and related services they are entitled to under Part B of the Education of the Handicapped Act (EHA-B). An effective monitoring system must be credible and constructive. It must reliably determine the extent of implementation of Federal law and provide States with technical assistance to make necessary improvements. In order for the special education monitoring system to be effective it must be fair, consistent, reliable, accurate, timely and constructive.

I am committed to making whatever changes are needed to improve the monitoring system. I will look at a number of areas, including the standards used to determine compliance, the adequacy and quality of staffing, the preparation and review of reports and the timeliness of all monitoring activities. It is my view that technical assistance to the States is one of the best ways for the Federal Government to play a constructive role in ensuring compliance with the Education of the Handicapped Act.

Kennedy

Question:

2. What role do you think parents should play in rehabilitation (especially parents of young people with severe disabilities), both at the client level and at the policy level?

Answer:

Vocational rehabilitation programs have historically recognized that client outcomes are positively influenced by the extent to which family support is available and utilized, particularly for younger persons. RSA has, through implementing regulations and policy issuances, expanded on the requirements in Section 101(a)(18) and 102 of the Vocational Rehabilitation Act of 1973 to ensure that States seek consultation with and take into account the views of parents in matters of general policy development and that parents are involved, as appropriate, at all key points of service delivery. I believe that parents should and do have a role in the decisions affecting services to be provided young people, the Individualized Written Rehabilitation Program, and the rights of individuals with handicaps under the Act when these individuals need or wish parental involvement.

RSA strongly supports the involvement of parents at the Federal level. All of the advisory task forces established by RSA include parent representatives. RSA also, seeks out the views and concerns of parents in establishing initiatives, priorities, and policies. State agencies are also encouraged to include parents, as appropriate, on their advisory committees under the three formula grant programs.

The role of parents in rehabilitation is seen as one of support, advice, and involvement at both the State and Federal levels. I intend to promote parent involvement at all levels of client and policy activity.

Kennedy

Question:

3. What roles do you see for parents and adults with disabilities in the planning process and priority setting of OSERS and of each of the three divisions?

Answer:

Parents and adults with disabilities have an essential role in the planning and priority setting of OSERS. All three components in OSERS have involved parents of children and adults with disabilities in their activities. I will continue these activities and look for ways that this involvement can be strengthened or expanded.

Kennedy

Question:

4. How will you go about strengthening the integration initiative in special education: In vocational rehabilitation?

Answer:

I will first look at existing programs and activities in OSERS that are targeted on achieving integration in education and employment, such as the regular education initiative and supported employment, to see how they should be improved or expanded. I expect to continue integration activities that are working well and to increase our integration activities where needed. I plan to continue and, as needed, to increase research and development efforts to identify effective strategies to achieve integration and to expand the dissemination of information about integration practices that succeed in the schools and in the workplace. I plan to review our technical assistance efforts to see how we can better help States and schools achieve more effective integration. Because technology assistance is of major importance in helping persons with disabilities become integrated into schools and the workplace, I will support, as needed, activities that focus on the provision of technology assistance, particularly activities that can strengthen integration.

Kennedy

Question:

5. Describe your commitment to supported and competitive employment.

Answer:

I believe that employment is a right of all Americans. I am particularly concerned that Americans with disabilities appear to be underrepresented in our workforce. In 1983, the U.S. Commission on Civil Rights reported that between 50 and 80 percent of individuals who reported a disability on census questionnaires were jobless.

Advancement in technology and the diminishing working age population are enabling a greater number of individuals with disabilities to enter our Nation's workforce. However, much of the employment is in entry level occupations that are characterized by low wages and minimal opportunities for advancement. I am committed to the development and expansion of programs and services that will enable persons with disabilities to realize their full potential for employment. As part of this commitment, I will encourage State Vocational Rehabilitation agencies to pursue competitive employment as their primary placement objective and to do everything possible to integrate supported employment into their service delivery systems. I will continue to support initiatives that improve services at the secondary level to ensure that students receive relevant training that would prepare them for supported or competitive employment.

Kennedy

Question:

6. How will you go about strengthening the interface between special education and adult services such as housing, as well as employment?

Answer:

The period in any young person's life when the transition occurs between school experiences and community-based work, living and social experiences is a critical time. This transition is cushioned for many young people with the advent of college. Many young people with disabilities, however, are required to take only one large step into the adult world. They complete their course of study in the school system and then move to another system with its concomitant expectations. Often, this move has been delayed because of long waiting lists for community programs and the young person is left sitting at home with no activities at all. In other cases, there has been little coordination between school and community and the transition has been uneven and problem filled.

The Office of Special Education and Rehabilitative Services has focused on the transition period for several years. It is fair to say that programs nationwide are somewhat uneven in their transition processes; they range from very smooth to areas where little planning has occurred.

In order to strengthen the interface between special education and adult services (such as housing and employment), I propose to emphasize the importance of cooperative planning between schools and community agencies that takes into account the individual goals and needs of each student with a disability and attempts to develop the functional skills needed to achieve these goals, preparing the student for employment and community living.

Kennedy

Question:

7. How would you encourage all the states to participate in Part H, the Early Intervention program for infants and toddlers?

Answer:

I believe that continued efforts by OSERS and other Federal agencies to provide leadership and support will help to ensure that states continue to participate in the Early Intervention program. I plan to encourage states to continue participating through several activities. These include: the provision of technical assistance to the States to help them overcome barriers to establishing statewide systems of services; the development of training materials and the training of personnel to provide services to infants and toddlers with disabilities and their families; the development and dissemination of model programs for serving children and families; and research and development activities to produce new knowledge and new products for States to use in establishing systems of services. Finally, I plan to provide whatever additional guidance may be necessary to help States in the implementation of the program.

Kennedy

Question:

8. How could the Regional Offices of the Department of Education be used better, for instance, to help bridge the gaps among special education, rehabilitation, and the Office of Civil Rights?

Answer:

If confirmed, I intend to carefully review the role of the Regional offices. At that time I will explore ways that these offices could help bridge the gaps among special education, rehabilitation and the Office for Civil Rights.

Kennedy

Question:

9. What steps would you take to meet the special education needs of traditionally underserved groups of children and their families? (By "underserved" we mean racial and ethnic minorities, non-English speaking people, parents with low reading levels, military families, families living in poverty, and those living in inner cities and in remote rural areas.)

Answer:

I believe that we can take a number of steps to meet the special education needs of children and families who have been traditionally underserved. I plan to look at the ways that discretionary funds are now being used to meet these needs, to identify needs that are not now being met, and to develop specific priorities targeted towards meeting those needs. In particular, I plan to look at how effectively the parent training program reaches out to meet the needs of parents from traditionally underserved groups and how we can expand the involvement of parents from these groups. I will also look at how our personnel training activities can be used to help meet the needs of children from these groups. In summary, I plan to review all our programs to ensure that the activities we support include activities directed towards meeting the needs of children and their families from traditionally underserved groups, both through funding for projects specifically focused on these groups and through inclusion of issues related to these groups in projects that are broadly focused.

Durenberger

Question:

1. The State of Minnesota has made a strong commitment to their supportive employment program to help individuals with severe disabilities in getting and maintaining a job. In doing so, the State at the expense of the State has loosely interpreted the word "severe" to allow individuals with lesser disabilities in need of support services to be eligible for services.

   Do you support the supportive employment program, and if so, would you support efforts to broaden this program's authority to include persons with disabilities not classified as "severe" to participate in the program?

Answer:

Supported employment as a vocational rehabilitation option has demonstrated success in assisting individuals with severe handicaps achieve mainstream employment. The use of Federal funds under the Rehabilitation Act for supported employment as a vocational outcome is statutorily "limited to individuals with severe handicaps for whom competitive employment has not traditionally occurred, or individuals for whom competitive employment has been interrupted or intermittent as the result of a severe disability." Since the supported employment program was specifically created to serve individuals with severe handicaps who had been unsuccessfully served or underserved through the State vocational rehabilitation system, broadening this definition, given limited resources, may weaken state efforts to serve individuals with the most severe disabilities.

Durenberger

Question:

2. The current Vocational Rehabilitation program has focused primarily on individuals with physical disabilities. Individuals with cognitive delays have been limited in their access to these services. How best do we reach the needs of this population and what is your commitment to expanding these opportunities to individuals with cognitive delay?

Answer:

While the Vocational Rehabilitation (VR) program was originally created to serve individuals with physical disabilities, in recent years program services have expanded to develop opportunities for those individuals with cognitive disabilities. Within the VR program, individuals with cognitive disabilities include individuals whose primarily disabling condition results from mental retardation, mental illness, specific learning disabilities, or traumatic brain injury. Since 1980, these disability groups have made up approximately 30-35% of the persons rehabilitated by VR programs.

The most notable commitment to expanding opportunities for individuals with cognitive disabilities is the implementation of supported employment, first as a discretion ary grant program in fiscal year 1985 and then as a formula grant program in fiscal year 1987. Initial data indicate that approximately three-fourths of the individuals participating in supported employment are persons whose primary disability is mental retardation. Supported employment has enabled these individuals to be placed in competitive work although previously considered unable to work or ineligible for VR services. Continued development of supported employment is expected to improve the rehabilitation rate for those with cognitive disabilities.

Other examples of commitment to those with cognitive disabilities include evaluation studies on VR services to individuals with mental illness and learning disabilities, collaborative work with the National Head Injury Foundation, and the RSA Task Force on Long Term Mental Illness, as well as funding a substantial number of service and training grants directed toward expanding and improving services for individuals with mental retardation, mental illness, learning disabilities, and traumatic brain injury. I will maintain this commitment.

Durenberger

Question:

3. Continued controversy remains about the implementation of P.L. 94-142 as it pertains to mainstreaming students. What efforts would you take as the Assistant Secretary to see that P.L. 94-142 is carried out and that children are served in the least restrictive environment? How do you see this in relation to the efforts by the deaf community for continued choice in having center-based schools?

Answer:

The issue of integration is addressed in the Education of the Handicapped Act (EHA-B) and implementing regulations. These regulations describe the requirements for placement of children who are handicapped. Under EHA-B, each child found to be handicapped and in need of special education must be provided a free appropriate public education (FAPE) and must be placed in the least restrictive environment (LRE) in which an appropriate education can be provided.

It is important to bear in mind that placement decisions must
be based on the educational and related services that are deemed to be necessary in each child's individualized education program (IEP). The regulations require that the child's placement be as close to home as possible. This factor must be taken into account in determining where a child's IEP can be implemented (when considering compliance with LRE). Thus, no placement should be made that cannot provide the services that will vary from child to child, even within a particular category of handicapping condition. For some children, special schools will provide placements in the least restrictive environment in which the child's individualized education can be fulfilled.

In reference to the question of the continuing need for center-based schools, it is not now, nor has it been in the past, the policy of OSERS that all special education services must be provided in the regular classroom environment. Some children who are handicapped cannot be educated appropriately in the regular classroom. Thus, a continuum of placements, including separate public and private facilities, must be available as required by the program regulations. The regulations clearly state that this continuum is to include special schools, where such placements are necessary to meet the needs of children with handicaps for special education and related services.

Durenberger

Question:

4. As efforts continue to increase the number of persons with disabilities in the workforce, what changes do you see in the areas of education and training to meet this changing demand?

Answer:

David T. Kearns, Chairman and Chief Executive of the Xerox Corporation, has said, "America's school system is in deep, deep trouble. If we do not restructure our schools, this nation will be out of business by the year 2000." The restructuring movement has established an environment for change throughout education. Part of this effort includes continued and expanded implementation of transition programs for older students with disabilities including supported work, systematic transition planning in the high school, and transition partnerships between special education, vocational rehabilitation and developmental disabilities agencies; and pilot efforts with community colleges and other postsecondary programs.

We need to develop and improve services for secondary school-aged youth with handicaps, primarily recent high-school graduates or drop outs, to enable them to make a successful transition to adult and working lives. Past efforts and activities under these programs were aimed at strengthening and coordinating education, training, and related services that assist youth with handicaps in the transition to competitive or supported employment, postsecondary education, vocational training, continuing education or adult services. Efforts continue to focus on improving services, and, in addition, attempt to stimulate the development of programs to provide job-related training for mainstreamed youth with learning disabilities and other mildly handicapping conditions. In fiscal year 1988, for example, two priorities included: preparing and placing youth with severe handicaps in supported work prior to their leaving school and enhancing existing procedures for a follow-up/follow along system for all graduates and dropouts.

Jeffords

Question:

1. Mr. Davila, can you outline any demonstrated experience you have had in dealing with the issue of integrating handicapped youth into a non-disabled educational setting?

Answer:

Although I have been a teacher and an administrator in center schools for the hearing impaired, I have been active in promoting and developing program options and extra-curricular activities designed to create interactive experiences for both disabled and non-disabled peers. At the Kendall Demonstration Elementary School and the Model Secondary School for the Deaf we have developed agreements with local schools to permit enrollment of hearing impaired students in classes with the non-disabled and have established a number of extra-curricular activities to promote interaction between hearing impaired and non-disabled students. These experiences have been beneficial to both groups of students. For example, interest in learning sign language as well as volunteerism among the young non-disabled people has increased and has resulted in healthy positive attitudes among all involved. These models for integration within center programs have been adopted in a number of other center programs throughout the country. At the Kendall School, which is a day school, a community-based after school program brings hearing impaired and non-disabled children together for structured and unstructured recreational and social activities. Years before P.L. 94-142 when I was an administrator in a center school for the deaf in New York, I developed and implemented similar interactive experiences.

Jeffords

Question:

2. What priorities or goals do you have as you anticipate your role as Assistant Secretary?

Answer:

It is quite clear to me that there will be a multitude of priority needs right from the first day in office. Over the last few months I have had frequent opportunities to meet with representatives from the various communities for the disabled to exchange information and views and receive input. Among the key priorities that I see for the immediate and near future are:

1. Identify and communicate an agenda for OSERS that will reflect a clear statement of goals and funding priorities. Although I will require more information and input before finalizing a priority goal list, I can predict that the higher priority goals will relate to:

    + early intervention
    + preschool programming
    + independent living
    + transitioning to post-secondary and employment placements
    + supported employment
    + recruitment and retention of special education personnel
    + research and demonstration

2. Implement a management structure within the department that will ensure efficient and effective use of personnel and resources.

3. Review and strengthen systems for monitoring compliance with Federal regulations in both special education and rehabilitative services.

4. Foster greater unity and collaboration among the various communities and groups of the disabled.

Jeffords - 2 (continued)

5. Initiate a program of increased collaboration among all agencies and programs providing services to persons with disabilities.

6. Promote and support the regular education initiative with appropriate safeguards to ensure that special education services are are provided.

Simon

Question:

1. Dr. Davila, I share the concern of my colleagues who have been briefed by GAO and have heard numerous and repeated complaints over the past several years of the severe management related problems at OSERS. Because these issues so directly affect the quality of services available to adults and children with disabilities, they are fundamental in the consideration of your nomination as Assistant Secretary. What is your general response to these concerns and what will be your first actions as Assistant Secretary to remedy them?

Answer:

I am familiar generally with the management problems identified by GAO. My management philosophy has always been to give senior managers the responsibility and authority to do their jobs and hold them accountable for the results. I believe this approach will make a significant contribution in correcting one of the major problems identified by GAO; specifically, the micro-management of OSERS and centralization of authority in the Assistant Secretary's office. I assure you that resolving the management problems in OSERS, whatever their nature or cause, will be one of my highest priorities. We have taken an important first step by bringing into key senior positions individuals with strong managment backgrounds. They will bring effective management and skillful leadership to meet the needs of all individuals with disabilities.

Simon

Question:

2. A large number of complaints appear to be related to a centralization of management responsibilities in the Assistant Secretary's office. In general terms, what will be your working relationship with the heads of OSEP, RSA, and NIDRR? Particularly in regard to the other two Presidential appointees, at RSA and NIDRR, how will you assure that centralized decision-making in your own office will not interfere with the smooth functioning of those offices?

Answer:

I will bring to my new responsibilities nearly twenty years of successful management experience. In my present position at Gallaudet University I am responsible for a workforce that is approximately the same size as the one in OSERS. I employ a team approach to planning, priority-setting, problem-solving and efficient and effective management. It is not my style to do other administrators' work for them. I will consult with key personnel on basic strategies to achieve unit and department goals and offer assistance as needed and requested, but I will give them wide latitude to manage their own units. I believe that if senior managers are to be held accountable, they must be given freedom to exercise their authority.

Simon

Question:

3. As an example of your policies toward appropriate authority and efficient management in your office, what will be your policy in regard to the approval of travel requests of the RSA regional offices? Should the Commissioner of RSA have authority to determine legitimate expenditures in this and similar matters in those offices?

Answer:

I do not see myself becoming involved in individual decisions related to approval of travel within the regional offices of RSA. That authority rests appropriately with the Commissioner of RSA.

Simon

Question:

4. In your opinion, should the Assistant Secretary exercise authority to reverse decisions made in NIDRR, OSEP, or RSA in regard to grants approved through the peer review process? If so, under what specific circumstances?

Answer:

I believe that the Assistant Secretary must be afforded the opportunity to exercise discretion in selecting a final slate of grants for recommendation to the Department for funding. However, this discretion would be limited in accordance with the Education Department General Administration Regulations (EDGAR) governing the selection of applications for new grants.

The discretionary grant review process uses peer reviewers to evaluate grant applications according to approved selection criteria. The end result of their review is a rank ordering of applicants based on their scores. These rankings are typically accepted by component leadership and the Assistant Secretary, if all selection procedures were correctly followed. The administrative regulations state that the final rank ordering of applicants may be determined by factors other than peer review evaluations, including the applicability of funding priorities, other program selection requirements (such as geographical distribution of projects and past grantee performances), and the applicant's appropriate use of funds under previous grants.

Simon

Question:

5. It has been asserted that delays in appointment of qualified personnel would have been significantly reduced if the office of Assistant Secretary had permitted the heads of NIDRR, OSEP or RSA to make final decisions on hiring for their own offices. What will be your policy in regard to decisions made on personnel within NIDRR, OSEP, and RSA?

Answer:

As I have stated, a senior administrator can be held accountable only if given freedom to exercise authority. I expect senior administrators to have the primary responsibility for making their own personnel decisions. However, I will want to have the opportunity to review major or significant personnel actions and personnel policies. I believe that on many of the major personnel decisions, I will provide important information and input that will be helpful. I do not intend for the Assistant Secretary's office to become a "bottleneck" or source of delay in making personnel decisions.

Simon

Question:

6. Concerns have been raised about the current use of administratively determined positions (ADPs) and that it unfairly avoids competition for certain positions. What positions in OSERS are currently in that status? What is your intention in regard to the use of this authority?

Answer:

There are currently 14 positions in the Office of Special Education Programs that have been filled through the excepted appointing authority and 2 positions in the National Institute on Disability and Rehabilitation Research.

It is my intention to administer the excepted appointing authority in a fair and equitable manner within the guidelines established by the Congress, under the Education of the Handicapped Act and the Rehabilitation Act. I do not intend to use this authority to avoid competition for positions that should be filled under civil service.

21-838 - 89 - 4

Simon

Question:

7. What is the role of OSERS in providing technical assistance to service providers? Should technical assistance efforts be increased? Changed? In what ways?

Answer:

I think technical assistance plays a critical role in disseminating the results of research and demonstration activities as well as in ensuring that providers have the capacity to carry out their responsibilities to handicapped persons. Technical assistance is also one constructive way of helping to ensure that States are complying with all the requirements of Federal law. I know that OSERS is actively engaged in this type of activity, but without further review, do not know whether these activities should be expanded or modified. However, I do think that technical assistance to service providers should be a component in the implementation of any new initiative OSERS might undertake.

Simon

Question:

8. The shortage of trained personnel in both special education and rehabilitation is a constant cry from individuals in my state and I expect others. What can you as Assistant Secretary, do to help alleviate these problems?

Answer:

RSA has been very active in pursuing remedies to the problem. Some activities include: studies of personnel shortages in 1987 and 1989; forums in the fall of 1988 to gather input regarding rehabilitation training; active participation with CSAVR's Personnel Preparation Committee; and hosting a National Rehabilitation Educators Conference in 1989. Activities of this nature and purpose will continue.

Future plans for meeting rehabilitation personnel needs include: publication of proposed training priorities for 1990 that focus training grant programs on identified need; development of new training models through the Experimental and Innovation authority; and close monitoring of and collaboration with our Continuing Education cooperative agreements.

Simon

Question:

9. The various professional fields of rehabilitation have been developed over the years in response to the needs of the rehabilitation service delivery system. There was grave concern that resulted from an OSERS statement to Congress a couple of years ago that OSERS funding priorities would be based not on determined shortages in specific fields but on OSERS assessment of how such personnel fit into an OSERS views of the goals and objectives of the state/federal rehabilitation program. In your view, should OSERS be determining training priorities on any basis other than determination of needs as expressed by shortages in the field?

What will you do to assist the Commissioner of RSA in complying with the requirements of section 304(c) of the Rehabilitation Act? Particularly, what efforts will you undertake to ensure compliance with the last sentence of that section, in regard to allocations being justified by findings of shortages?

Answer:

There may have been some confusion and misunderstanding regarding statements that may have been made several years ago. It has always been OSERS' intent to base funding priorities for rehabilitation training grants on identified personnel shortages in the field.

My office will work closely with the RSA Commissioner to ensure that training allocations are based on data pertaining to personnel shortages in the field. As necessary, RSA will conduct periodic surveys and studies to update information about personnel shortages in rehabilitation.

Simon

Question:

10. The Department of Education has recently reversed its former position in regard to the use of tape recorders at IEP meetings. In the past, the use of recorders was permitted at the request of either the school or the parent. The new position states that both parties must agree for the use to be permitted. This change in position has created some difficulties in Illinois. Although the vast majority of school systems never raise objection to the use of tape recorders by parents, in a few cases parents have been refused that right. Will you ensure that this changed policy is reviewed and that during that review the rights of parents under section 615(d) of the Education of the Handicapped Act to have meaningful participation through the use of the expert of their choice, taking into account the learning disability or other needs of that expert, are also considered?

Answer:

My understanding of the law is that EHA-B neither prohibits nor requires the use of tape recorders at IEP meetings. However, the fact that tape recording an IEP meeting is permissible does not confer a right on either party to do so. Because Federal law does not specifically prohibit or authorize the tape recording of IEP meetings, policies regarding their use are the responsibility of individual school districts or State educational agencies. As requested, I will ask the Director of the Office of Special Education Programs to review this issue as well as the issue you raise concerning the use of an expert of the parents' choice.

Simon

Question:

11. We have been encouraged by the President's willingness to increase the budget for the Department of Education, although we would like him to be even more generous. In light of the prospect of some continuing increases, what is your "wish list" for programs within OSERS' jurisdiction? What do you see as the areas of greatest need?

Answer:

I would like to see emphasis in areas such as:

- recruitment and training of rehabilitation and special education personnel (with special emphasis on recruitment of minority persons).
- early childhood and family education programming
- transition to postsecondary programs
- independent living
- supported and competitive employment
- utilization and dissemination of research results
- technical assistance to parents and family education
- training and orientation activities for regular education personnel

Simon

Question:

12. Given the integration movement in the United States in nearly all walks of life and certainly existing in the disability community, what is your position on enhancing this movement as well as the policy by which P.L. 94-142 and its Least Restrictive Environment (LRE) component can be met per the letter and intent of the law (response should include those with mental retardation)? What will you do to supply greater integrated educational opportunities for persons with mental retardation, many of whom have not been provided the full range of choices guaranteed by P.L. 94-142?

Answer:

I support the progress that has been made in providing students with mental retardation with programs that are located in regular classrooms and regular schools. These programs have a very important role in preparing students with mental retardation for life in a community setting after they leave school. They also play an important role in educating their non-disabled peers. Support for increased involvement of students with mental retardation in integrated settings will be enhanced through increased public information efforts, increased advocacy support for parents, expanded training and orientation for regular education personnel, including non-disabled students, and closer monitoring of LEA/SEA plans and programs for compliance with P.L. 94-142. Additionally, more efficient and effective diffusion of research findings to impact on practices and processes at the program level will be emphasized.

Simon

Question:

13. As education has improved for persons with disabilities in the last 15 years and with the reaching of adulthood of the first set of children who received early intervention services per se, what is your position on the continuing of education for adults as well as community/competitive employment for adolescents and adults with disabilities (including those with mental retardation) addressing but not limiting the response to the transition process from school to work and the enhancement of Supported Employment as well as the process by which this will be accomplished?

Answer:

Despite the provision of early intervention and appropriate education throughout the child's tenure in school, many youth who leave special education programs do not have the skills necessary for competitive or supported employment. Many youth with mild handicaps have been supported in "academically oriented" secondary programs and did not have to the opportunity to develop the specific job skills needed for entry level employment. These youth should be encouraged to enter regular or adapted postsecondary programs along with their age peers so that they may acquire or upgrade the skills they need for entry level, competitive employment.

Although youth with severe handicaps have made extensive gains during their schooling in terms of independent functioning, the majority of them will require some degree of on-going support to live and work in the community. Exiting data collected under Part B of the Education of All Handicapped Children Act indicate that the needs of youth with severe disabilities for continued support services far exceed the capacity of adult service agencies to provide these needed services. Through various initiatives of the Secondary Education and Transitional Services program the Department has supported numerous efforts to develop and maintain cooperative agreements between the school and adult services agencies to improve the opportunities for youth with severe disabilities to maximize their potential through employment and independent living.

I will continue to support efforts that identify emerging issues related to the transition of all youth with disabilities as well as develop practices which facilitate their transition to the community, including employment.

Simon

Question:

14. Our nation is turning to the family structure in more and more ways in order to strengthen the country as a whole. We are seeing this in the disability community also and wish that concept addressed as to how the ongoing building of family process will be strengthened via identification, special education, rehabilitation, transition, related services, SEA/LEA interactions and process/priority establishment with NIDRR/OSEP/RSA? (Response should address those with mental retardation as part of the constituency affected.)

Answer:

There is no question in my mind that the family is key to the development and successful integration into the community of a person with a disability. Parenting a child with a disability is not learned instinctively. Parents and siblings need to be helped to develop the skills and knowledge required to effectively contribute to the cognitive, psychomotor and affective development of the family member who is disabled. But a family cannot assume the entire burden alone and the experience must be a positive one for it to be a successful one. For this reason, it is essential that the family be an integral contributor and team member, along with professionals and other service providers, throughout all of the stages of the disabled member's development, ranging from the educational experience and continuing through transition to employment and community life. I am committed to the practice of involving disabled persons and their families in planning, setting priorities and evaluating OSERS program activities. This commitment cuts across all areas of disability and will be especially sensitive to those with the greatest needs.

Simon

Question:

15. Early intervention has been a positive and motivating factor in the lives of many people touched by disability in our society since its inception. That movement has been growing stronger with P.L. 99-457 and the anticipation of further legislation with reauthorization in 1991. Please provide the position and process by which you view the enhancement of early intervention (to include children with mental retardation).

Answer:

Please refer to the previous answer for a statement of principle and commitment relative to family involvement in all aspects of the learning and development experience of persons with disabilities. I agree that early intervention has been a motivating factor in the lives of many people with disabilities and has helped to strengthen and support the family structure during the critical formative years. Research data indicates that early intervention has been especially effective with children who are disabled. In a sense, it has "made a difference." I will promote expanded technical assistance to parents so that they will be better informed of services and programs and be fully acquainted with their children's rights and their own responsibilities in the education and rehabilitation processes. Additionally, I will seek to strengthen monitoring processes to ensure appropriate compliance with the provisions of the early intervention regulations. Again, these decisions and the views expressed here, cut across all areas of disability.

Simon

Question:

16. Please provide the process you will employ for monitoring the States relative to P.L. 94-142 and all of its amendments.

Answer:

In order to ensure compliance in the States with the requirements of P.L. 94-142, the monitoring process must be fair, consistent, reliable, accurate, timely and constructive. Fairness is enhanced when parents, advocates, special educators and local and State administrators understand the standards that will be used to determine compliance. Additionally, there must be general agreement that those standards are valid. It will be critically important that OSEP build a consensus of understanding among all concerned. In order for the process to be accurate it must undergo rigorous in-house review and must be sufficiently staffed. Proper staffing in terms of numbers and specialized expertise and training is critically important in order to ensure the reliability of the findings. Staff assigned to the monitoring process should undergo continuing staff development training and new staff should also undergo a training regimen. The Office of the General Counsel has played an active and critical role in reviewing the legal sufficiency of the monitoring reports and I would like to have this on-going review continued. Computer and other technical support should be provided to the monitoring staff to improve the quality and consistency of their work. Timeliness is an absolute requirement in order that the conditions impacting on those who are adversely affected by non-compliance can be ameliorated. No more than sixty days should elapse after completion of the on-site monitoring visit before a draft report is available. Likewise a similar timeline is needed to ensure the timeliness of the states' corrective actions.

Technical assistance provided to the States will ultimately determine whether the Federal monitoring system will play a constructive role in implementation of EHA. Monitoring should be a springboard to a set of technical assistance activities provided to the States through the various discretionary programs authorized by EHA and administered by OSEP. This technical assistance capability should be improved by the staffing of highly qualified individuals and providing them with the support and adequate resources needed to dispense timely and expert advice to the States regarding

Simon -16 (continued)

necessary improvements. Placing technical assistance as the centerpiece of compliance monitoring will improve special education and related services and will strengthen the Federal/State partnership.

Owens

Question:

1. In your opinion, what are the top three management issues facing OSERS today? How do you plan to address these issues?

Answer:

The three top management issues, as I perceive them without benefit of specific reports or data, are:

- excessive centralization of authority in the Assistant Secretary's office
- lack of coordination and teaming among the various managers and subunits
- excessive number of vacancies in critical positions

I have stated that resolution of the management problems at OSERS will be one of my highest priorities. I am pleased that a group of senior managers with years of successful management experience will be joining me when I come on board. I have a strong personal commitment to a participatory management approach to planning, priority-setting and problem-solving in support of efficient and effective administration. I do not intend to do other managers' work for them so I have little concern regarding problems of excessive authority in the Assistant Secretary's office.

I am aware that OSEP, RSA and NIDRR were brought together in OSERS to provide for better coordination of policy development and program implementation. I consider coordination and cooperation among these three agencies to be essential to the provision of efficient and effective services to the disabled. Therefore, I will place high priority on ways to improve coordination and cooperation. For example, I intend to examine how research and demonstration funds administered by OSEP and RSA can be used to promote the objectives of the new Technology Assistance program administered by NIDRR.

Furthermore, recruitment of highly qualified personnel for the vacancies that exist will be an immediate priority for the senior managers in the three agencies in OSERS. I will be delegating to senior managers and administrators the authority to make appropriate program and personnel decisions, and will hold them accountable for the results.

Owens

Question:

2. Please list the authorized personnel ceiling (FTE level) for the following:

Answer:

Personnel ceilings are established by office. The Assistant Secretary has the discretion to allocate positions among the components of the office. In the case of OSERS, the ceiling is 425. The current allocation is as follows:

Central OSERS	43
RSA	213
OSEP	136
NIDRR	33
TOTAL	425

Owens

Question:

3. Please list the number of permanent full-time individuals currently employed in the following:

Answer:

Central OSERS	33
RSA	197
OSEP	121
NIDRR	32
TOTAL	383

Owens

Question:

4. There has been a consistent pattern of large numbers of vacancies in OSERS and its subunits going back several years. What do you plan to do differently to more effectively fill those vacancies with qualified personnel?

Answer:

Please refer to my previous answer for my perception of this concern. I will work with senior managers to see that the best qualified individuals are recruited and hired for vacancies that exist. I will expect them to actively recruit qualified persons with disabilities, women and members of racial and ethnic minorities.

Owens

Question:

5. OSERS' highly centralized management has stifled mid-level managers and component heads, what plans do you have to involve OSERS' managers more in the decision-making process?

Answer:

As I have stated, my management approach is to provide leadership and guidance to my colleagues, team with them in the important functions of planning, priority-setting and problem-solving, and demonstrate confidence and trust in them by delegating authority to exercise discretion in carrying out their responsibilities. I will not centralize inappropriate or excessive authority in my office.

Owens

Question:

6. Monitoring EHA formula grants has been a problem area for OSERS' Office of Special Education Programs for several years. What are your plans for improving the monitoring activities of the Office of Special Education Programs?

Answer:

I have responded to this concern in answer to a previous question, but would like to reiterate that monitoring for compliance with the provisions of EHA will be a high priority for my administration of OSERS. In order for the monitoring process to be effective and be viewed as a process of positive support, it must be fair, consistent, reliable, accurate, timely and constructive. I intend to provide whatever support and resources are needed to ensure that the process reflects these qualities. I will review the level of staffing and the particular expertise and staff development support required to sustain reliable and accurate monitoring procedures and standards and provide additional support as may be required. I will also emphasize and upgrade the extent and quality of technical support provided to the States in order to ensure effective monitoring through improved communication and collaboration. Dr. Judith Schrag, the new director of OSEP, has also identified a more efficient and effective monitoring process as a high priority for her unit. I will provide whatever support and assistance may be required to achieve this improvement.

Owens

Questions:

7. In recent years, OSERS has had difficulty in working cooperatively with key state officials such as state directors of vocational rehabilitation and special education. What would you do to improve relations with those groups?

Answer:

The senior administrators whom I will be joining, and who are also new to OSERS, bring distinguished records of long association and collaboration with state officials, leaders in the various communities for the disabled, executives and directors of professional organizations, and leaders of parent and advocate organizations. I have had long association with similar groups as well as numerous contacts in the last few months. I expect that these associations and contacts will be useful in forging new ones with a wider range of state officials. This history of mutual respect and support will enhance our ability to strengthen the partnerships we will depend upon for effective collaboration. I will encourage OSERS personnel to place strong emphasis on maintaining frequent contacts with state officials and to be receptive to input from them. A willingness to meet with state officials to share information, exchange views, discuss problems and issues, and receive suggestions on a variety of program topics will strengthen the Federal/State partnerships.

Owens

Question:

8. The General Accounting Office has recently completed its study of OSERS management issues and briefed Department officials on the results. What specific management practices do you plan to institute to resolve the management deficiencies cited by OSERS managers and senior staff in the GAO study?

Answer:

As I have stated in an earlier answer, I am familiar generally with the management problems identified by GAO. My management philosophy has always been to give senior managers the responsibility and authority to do their jobs and hold them accountable for the results. I believe this approach will make a significant contribution in correcting one of the major problems identified by GAO; specifically, the micro-management of OSERS and centralization of authority in the Assistant Secretary's office. I assure you that resolving the management problems in OSERS, whatever their nature or cause, will be one of my highest priorities. We have taken an important first step by bringing into key senior positions individuals with strong management backgrounds. They will bring effective management and skillful leadership to meet the needs of all individuals with disabilities.

Owens

Question:

9. All three units under OSERS conduct research activities, often with similar objectives. How would you handle any duplication of research efforts among these three agencies?

Answer:

I believe that more effective communication among OSERS' components could do much to improve the focus and quality of all activities, including research, and help to eliminate any duplication of effort among the three agencies. I plan to strengthen and improve upon existing coordination efforts to ensure that the activities of the three agencies are complementary and not duplicative.

Chairman OWENS. Included are questions that I had asked you also, most of which will not be repeated here. I think perhaps I would like to begin my questions by clearing up the problem of methodology.

In what ways do you have a problem with the methodology used in the GAO study?

Dr. DAVILA. I am sorry; I missed your question.

Chairman OWENS. You indicated that there was a problem with the methodology used by the GAO. What is the problem in your opinion?

Dr. DAVILA. Yes, sir. Most of the data was derived from a survey questionnaire that was sent out to OSERS staff and to others who interrelate with OSERS externally, the directors, for example.

The questions were general in nature, they did not deal with specifics, as I see it, dealt with general problem areas and personal opinions. As far as I understand, there was no validation of the instrument, no pre-testing, which is generally done for a survey of that size.

I also note—I'm experienced in this kind of study—that, invariably, employees who do not respond generally have positive views, but their opinions probably are not included. We do not know their positions.

Generally, when people have a negative view, they will express it. When they have a positive view, they generally will not take the option to do so.

In a situation like this, when management is unpopular, responses are generally directed at individuals, rather than to program performance. For a number of reasons, however, I believe that there was sufficient, clear indication that there are problems and we will be guided by the findings of the study.

Although we did have some questions, generally speaking, about the study itself, we are not looking beyond the need to be responsive.

Chairman OWENS. Mr. Gainer, would you care to comment on Dr. Davila's statement?

Mr. GAINER. I think—I don't want to get into sort of contention with Dr. Davila, sort of for the reason that Mr. Smith mentioned and that is that what is really important here are the programs and the success of the programs.

I have reviewed Dr. Davila's responses to the questions to you and other members and senators and I believe that the plan that he lays out were his plans thus far, what he intends to do with the organization are right on the mark and that he is talking about doing the right things and given his management experience and the management experience of the people that have been brought in for his top team, I think you are going to have a very different environment in OSERS than you had in the past.

I wanted to say that before I talk about the methodology. We invest a lot in methodology at GAO and we think we know what we are doing. We are one of the preeminent survey researchers in the country now and we have the best experts available to help us in the survey design.

I can tell you that no organization where we send out this kind of questionnaire which really gets into questions of organizational

and leadership performance likes it very much. We do some of this internally and I don't like it very much when I get it, but the questionnaire was pretested.

It is based on a methodology that has been used in other agencies and has been validated by extensive field work afterwards to colloborate that there were problems where problems were found in the questionnaire results.

I don't think there were any problems in the methodology of the study and I could respond in more detail to the problems. As far as non-respondents, we don't know what the non-respondents were thinking.

We know from interviews that a large number of people were scared to death to respond, so I don't know that I would immediately assume that those who did not respond had positive views about the organization.

Chairman OWENS. Did you do a similar study for the Department of Labor and how does that appear with this study?

Mr. GAINER. We did a much larger study for the Department of Labor where we used a similar diagnostic instrument and then a much more detailed field work in regions and in the department to make specific recommendations on what could be done to improve operations at the Department of Labor.

That study used a similar approach, looked at similar problems, human resource management, goal settings, strategic planning, and so on, and found similarly difficulties in the Department of Labor, but the initial approach we used here was very similar to what we did at Labor.

We just did not follow it up with significant work in the field in order to develop recommendations. It was our belief that it was more important to get this done and have the study available when the new administration came in than it was to do additional field work.

Chairman OWENS. Did you find any evidence that the problem of vacancies in key positions was due to some broader administration policy; that OSERS was a second-grade objective—second priority—and that the administration—maybe OMB—was saving money and prevented them in some way from filling positions? Any evidence of that?

Mr. GAINER. I am not aware of any evidence to that effect. We did try and probe to see where the problems in filling vacancies might be.

Based not on the survey, but on discussions with individuals before and after this survey in OSERS, it would be my best guess that it was a problem of, again, micromanagement where all the hiring decisions were essentially made in the Office of the Assistant Secretary and that the administrative operation in that Office of the Assistant Secretary was slow to move these things.

If there was anything more to it than that, I am not aware of it.

Chairman OWENS. You mentioned in passing that the lack of travel funds was a higher level decision. Did I hear you correctly?

Mr. GAINER. I said it may well have been a more general problem with agency budget, but it is an area that we could not get resolution on. We know that they did spend their travel funds, but the

amount of money requested and the amount of money received, you don't know what happened first.

Could the organization have gotten more money for travel? Had they asked for it? Were they told not to ask for it? We could not get behind that. What we know there is that the employees and the constituency groups felt that more travel was needed for a variety of purposes and it wasn't there, but we could never nail down just what was the chicken and what was the egg.

Chairman OWENS. Dr. Davila, have you found any evidence of external obstacles to filling positions in OSERS, that there was some policy in the administration which prevented the rapid filling of positions?

Dr. DAVILA. No, sir. I am not aware of any obstacles, external or internal, other than that the process of hiring is long and extended. In a sense, you can not fill a position immediately, it takes time, to go through the process, but from my perception, in a short time I have been onboard, one of the more serious personnel problems is of retention.

During the last year, if I remember my figures correctly, we have hired 71 new people, but we have lost 61 through retirements and transfers, people leaving their positions in OSERS, so we need to create a healthy balance and develop a positive work environment that will encourage people to stay.

So, we are standing on a treadmill. If we keep losing people at that rate, their will be no gain. We need to work on both recruitment and retention. We intend to give very strong and consistent attention to creating a work environment that will encourage people to come to work with us and stay with us by providing opportunities for upward mobility if they stay and recognizing exceptional performance, rewarding people for good work. This is something we have to work on.

Chairman OWENS. So with respect to hiring people to fill key positions and keeping people in those positions, you would say the buck stops with you? We look forward to holding you accountable; the buck will stop with you.

Dr. DAVILA. You may see it that way. There hasn't been a situation where any higher authority has given me any instructons about any particular positions and how they should be filled.

I think that is something I and the other senior managers in our division will determine.

Chairman OWENS. I will end with this question and then come back later with further questions after other members have had a chance to ask questions.

I happen to feel very strongly that good management and problem effectiveness are inextricably interwoven, that most of the problems of the world are not with political idealogy of economic systems, but with the ability of bureaucracies to manage, the ability of people to manage systems properly.

What is your opinion of the relationship between good management and program effectiveness?

Dr. DAVILA. Well, you are correct. There is a strong relationship between the two, and you know, even without the GAO study, within time in this position of responsibility I would put into prac-

tice the good principles of management which I have been practicing for years.

So, I have my own style, my own personal view of management. I work very well with people. I have the help of other people in decision making. I can make hard decisions when I have to, but I am generally inclined toward particapatory management so I would want to help to put into practice this kind of proposed management.

I work hard at developing relationships external to my own programs because in the long run, they bring great benefit both to the people who we serve and to ourselves. It makes us better providers of service. I would have applied the good principles of management that obviously need to be in place I would have done this regardless of the study.

So, I am not really overwhelmed by the study itself. I am looking beyond that study.

Chairman OWENS. I yield to Mr. Bartlett for questions.

Mr. BARTLETT. Thank you, Mr. Chairman. It seems to me that the methodology argument is somewhat of a circular argument in which one should in all fairness say that a survey methodology may give some indications of difficulties, but it is also limiting and I think you are both saying exactly the same thing.

I do want to just make certain I understand what the methodology was. As I read the report, and I want to make sure I didn't miss anything, Mr. Gainer, as I read the report, the only quantitative analytical data that I saw in there was the vacancy rate of January 1988 and, again, another snapshot as of February 1989 and all of the other conclusions were based on surveys of state rehab directors, state special ed directors and employees at OSERS.

Were there other quantitative analytical data in the report that I missed?

Mr. GAINER. We did have a variety of other things and they are reflected indirectly in some of the sections. Our intent was originally to use somewhat, not a great deal more, but somewhat more quantitative data for context or background or to colloborate things that we have found.

It was exceptionally difficult, and I believe you are aware of this, it was exceptionally difficult to get that kind of information from OSERS and I would attribute that, I suppose, to the problems we found in management of OSERS.

They had difficulty doing a lot of things. However, I think to get to the heart of your question, I would like to say that we were originally asked to and we set out to identify areas where problems exist and not to come up with specific solutions.

As such, we have found over time that this kind of diagnostic technique where you look at the employees of an organization and, in essence, the customers of that organization is a good way to find out where there are problem areas.

We have enough experience with this kind of diagnostic to have some relative judgments as to, you know, what is a problem and what isn't and we reported only the strongest of the relationships where most of the people in the organization and where most of the state directors saw a problem.

We then went in after the fact and we talked to component heads about our findings and gave them an opportunity to explain to us where the perceptions of the employees and where our judgments, based on our surveys, might be wrong.

As I said earlier, there were places where people wanted to quibble with us about a fact or the interpretation of something and we learned a great deal from those discussions, but people really did not tell us that they had a strategic planning system.

When they attempted to show us this strategic planning system, they couldn't come up with it. When they said they had an alternative mechanism to manage the organization which made sense, they couldn't explain the sense to us.

So I think your characterization is correct. There is not a lot of hard data on management activities. We did get information on grants and the length of monitoring and how often things were monitored.

We had hard data on those things, and that hard data fits the perceptions of the employees, but by and large, it was based on these surveys, but the one thing that I would think is very important is that we were also dealing with some basic management principles and going back then to discuss these basic management principles and the problems we saw with senior level officials in the organization and we got concurrence.

If it had been a big difference of opinion, we would have been less willing to issue the findings that we have.

Mr. BARTLETT. So, your methodology was exclusively surveyed methodology, but then you colloborated some of those survey conclusions with interviews in OSERS?

Mr. GAINER. And with some hard data. If I were going to put a number on it, I would say that 70 percent of our methodology was the surveys and the other 30 percent were data and very probing interviews after we had the findings to see if we had the message. Right.

Mr. BARTLETT. Second question, Mr. Gainer, in your experience with other agencies and based on what you see at OSERS, what would be the range over a period of time that you would anticipate that these management issues that you have identified should be corrected to an acceptable level?

How long do you think it will take Dr. Davila to make some of these changes?

Mr. GAINER. It sort of depends on the item. Obviously, he can put in a planning system and a new management system pretty rapidly and that is a big part of the thing that needs to be done.

Mr. BARTLETT. Obviously, you never worked at the Department of Education if you think that can be done pretty rapidly.

Mr. GAINER. I would not want to do it at the Department of Education, but I think within one of the Assistant Secretary's functions, when you have the ability to bring in new senior managers, and that has occurred here, those things, I think, can take place pretty fast.

The human resource management problems will take some time, working out new strategies for monitoring and technical assistance and then getting those implemented. It is going to take time.

Mr. BARTLETT. Do you think over a period of a year, we should——

Mr. GAINER. I think you will see progress in a year, but to get the effect out into the states and the field, to get policy decisions made and to get guidance out that may or may not be needed, it is going to take——

Mr. BARTLETT. Based on what we have heard Dr. Davila say today and also what you have seen of his testimony and seen of what he has done just in the last several weeks—four weeks, five weeks—do you believe that he has taken steps to provide OSERS with the kind of management that you think would accomplish the mission?

Mr. GAINER. I should note that we have not been into the organization to look at exactly what is happening, but based on his testimony and his response to our report, which we received just last week, and the statements that he presented to the Senate, he seems to be working on the right problems.

The things that he plans to do seem right on the mark to me. He is looking at the needs of the employees, at the problems they identified.

He is looking at the problems identified by the constituent groups and I think that is the approach that any organization has to take. He is translating that into the specific plans for the future.

So, yes, I think everything that I have seen so far looks very positive.

Mr. BARTLETT. Do you have any way of—what kind of marks would you give him so far. As far as management, would you give him——

Mr. GAINER. I have gone through this particular kind of exercise myself, and I would say that I would have to give him a better grade than I would have gotten. I would have to give him an "A".

Mr. BARTLETT. All right. Thank you, Mr. Chairman.

Chairman OWENS. Mr. Jontz.

Mr. JONTZ. Thank you, Mr. Chairman. Welcome, Mr. Secretary. It seems to me in your statement that you documented very well the different reforms that you are making within your office to improve communication and involve others in the decision making process and that is very impressive.

Perhaps I missed it in your statement, but can you make any summary to us of what steps you made or have taken to improve your relationships with the state agencies? Have you sat down with the agency directors to hear their concerns?

What do you plan to do to improve communication with the agencies and the states where there is obviously a need to make such improvements?

Dr. DAVILA. Okay. Many things actually have happened by way of maintaining long-standing communication lines with people in the states. We have managers in position in rehabilitation, for example, Commissioner Carney, and in Special Education Programs, Dr. Judy Schrag, who bring to their positions long-standing involvement with professional organizations and state-level responsibilities.

They have already begun to maintain and strengthen those relationships by having constant meetings with key individuals and

maintaining continuing dialogue with organizations and constituent groups.

We are also accepting a number of speaking invitations to travel to different states so that we can have an exchange of information and impart information about what is happening, and what we are planning to do, that sort of thing.

So, we have our own priority for ongoing communication that we need to strengthen and we intend to give increased support to the regional resource centers and the regional offices in rehabilitation, for example.

They need to become more effective in carrying out their responsibilities regionally, which is also a high priority for us.

Mr. JONTZ. I appreciate that answer—and when you are more settled in the office you will be able to do more in that regard. I think your personal commitment will be a positive sign to the people out in the state. Obviously, the problems that have occurred in the past cannot be removed immediately, but I would hope you would make that a part to communicate directly with the states and use your personal role in this regard to address some of the problems that we have heard about.

Thank you, Mr. Secretary.

Dr. DAVILA. We will. Thank you, sir.

Chairman OWENS. Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman. I would like to ask Mr. Gainer, with the reference to the Labor—the comparable thing you did with the Department of Labor, could you just briefly outline what some of the similar difficulties were because we are now operating under about a ten minute constraint, right, Mr. Chairman?

Chairman OWENS. Well, we can break and come back if you want more time.

Mr. SMITH. I will try to be brief.

Mr. GAINER. We found problems in adequate training, for example. There, since it was a larger department, larger organization with additional functions, we looked at information management and found that they lacked any kind of strategic planning or long-term goals for how they were going to utilize information systems in the organization.

We found problems in their enforcement of the various laws that they enforce. We found very serious morale problems because you had a secretary that was under cloud for some period of time before Secretary Brock came in—many of the similar difficulties that you find in OSERS and I think what you would find if you looked at the Department of Education more generally.

Mr. SMITH. I guess my longer term interest and I would be appreciative if you could send me some examples to save time today is if there are examples in the Federal Government where everybody is just happy as a clam and dancing to work every day, and seriously——

Mr. GAINER. It might take me a while to find that example.

Mr. SMITH. I would be sorry if that were the case, but not surprised. I think my concern here, when I looked at your responses and I am not a statistician, Gods knows—I am not sure what I am sometimes, but I saw what looked like on the one piece of substantive response, it looked pretty much like a bell curve, with a little

bit of a dip in the middle where people sort of said, "I don't know and I don't care," whatever that middle one was, which I felt was sort of——

If we chartered that as a standard statistical response, it might not look so significant as oppose to breaking it out into six components. My second question is, did you find and if you did, how would you response to the sharp division between the rehabilitation community and professionals and the special education programs and people and professionals at the state level?

Did you find that in other places and if so, to what extent? Do you think that is just a built in problem given the nature of this agency and how would it affect the operations of the agency?

Chairman OWENS. Excuse me one minute. Can you come back?

Mr. SMITH. I certainly can. I hate to hold——

Chairman OWENS. Why don't we give him time to think about that and we will take a ten-minute break and resume in ten minutes.

Mr. SMITH. Okay.

Mr. GAINER. Whatever your pleasure is.

[A brief recess was taken.]

Chairman OWENS. Please come to order. I think Mr. Smith was pitching and you were about to bat, Mr. Gainer.

Mr. SMITH. Let me just rephrase or phrase the question a second time in an attempt to be useful. The question really ended with a reference to what I have understood, having been an employee of our State Department of Education in the early 1970s when the merger of departments began, a long-standing tension between people in the voc rehab side and people on the 94-142 side.

I made three observations about the chart which is on the draft, page 50. One is that when you accumulate everything and just plot it, howbeit not with a fine tune plotter, it looks a lot like a bell curve to me with a little dip in the middle for neither well nor poorly.

Then when you plot special state ed directors, you see something that is really overwhelmingly positive and when you plot voc rehab state directors, you see something that is fairly overwhelmingly negative.

Did you find at either the Federal level or in your conversations or in the data elsewhere indications of this kind of a persisting problem in the agency or in the overall program?

Mr. GAINER. I think when you look at the state level or say, the constituencies for these programs, I think it is clear that the special ed people had been happier with the priorities and I think that is where it comes in. It is the overall priorities that have the vocational rehab people over the last few years.

They, of course, have very different functions. The voc rehab people here in Washington can or do have a lot more influence over service delivery than you do on the special ed side because of the money involved, so they are very different functions.

But in terms of sort of our principle finding slight monitoring human resources development and so on, those were identified by problems by both constituencies and both set of employees in Washington, so you didn't find the kind of difference that shows here.

In fact, that is one reason I put the chart in here to sort of highlight this policy question and I think this is reflective of the dissatisfaction with the overall direction by one group and happiness with the overall direction by the other group.

I don't think it may tell you much, though, about program effectiveness of the two functions.

Mr. SMITH. Thank you. Assistant Secretary Davila, you are, I am sure because of your background, well aware of the tension in the field between historically what was the vocational rehabilitation constituency and the relatively newly identified in the early 1970s at a national level, special education constituency, do you have any plans or ideas about how to more effectively integrate those two groups in the field?

Dr. DAVILA. Well, you know, that we are in the process of developing a strateic plan for OSERS and we are looking ahead to how we will resolve the concerns in the problem areas that have been identified.

One of the areas that will receive special attention is how we can effect more positive interface between rehabilitation and special education, and we are applying a team management approach to the operation of all OSERS components.

We are taking a management approach that cross-cuts across in functions and components within the OSERS Division, and we intend also to make sure that we articulate the same kind of need for collaboration and interface all the way down through the programs.

The messages we are sending out, and will continue to send out, will also carry the same weight. Whatever concerns we identify are of concern to both rehabilitation and special education and vice versa because we need to serve a disabled child, all the way from the time he or she is an infant to the time the child is finally placed in the community. In order for us to be effective, we need to deal with the kind of transitioning that will ensure continuity and good service.

We have to be able to encourage more commitment to collaboration and mutual support from other agencies serving individuals with disabilities. This is a high priority for us.

Mr. SMITH. Thank you. I would only because of the—and I am just about done, Mr. Chairman—because of the break we took, refer back to my comments about the comparison with the Labor Department and what I also surmise may be just a built in tension at the Federal level between civil servants and what we would call political appointees.

I am simply enclosing concern that as we support you, Dr. Davila, in your new job and I am delighted with Mr. Gainer's assessment of you, but more of the point with you, I am more delighted with your own presentation today that we remember that this is a program.

The management responsibility you have as it effects children in schools which is why we are all sitting here, that is in deep, deep trouble.

It's vital signs are not strong and for those of us who are committed to not only maintaining, but improving the whole concept of serving every child to the greatest of his or her abilities, we have

to get profoundly more deeply involved in what the proper relationship, Federal to state is, and state to local so that we can free teachers and children to make the most of the resources that we are making available to them.

My concern is not as critical as it may have sounded initially of your report as it is that I just—I think as a starting point, it is fine, but we have problems in this program that will eat us alive and hurt children badly in this country if we don't get on top of them in the next couple of years at the outside and I thank you for bearing with me and I am sorry about the break.

I yield back.

Dr. DAVILA. Thank you.

Chairman OWENS. Mr. Payne did not return. He said he would be back. Just one last question. I want to thank both of you gentlemen for the time and energy that you have put into this matter already and we look forward to working with you in the future.

Mr. Secretary, you have indicated that you are preparing some kind of a master plan. We hope that in the future we will not have to converse with each other in formal hearings like this, but instead, there can be some informal apparatus established where we can confer as you go along and we welcome the opportunity to obtain a briefing on your master plan when it is ready.

Do you have some idea of when you will have your master plan ready?

Dr. DAVILA. We have a series of retreats planned for the next few weeks. I think some time in the fall I will be able to come to sit down with you and give you a briefing.

Chairman OWENS. Very good. Without a doubt, we believe that there is a direct relationship between good management and program effectiveness. We are not here because we like to play with management or micromanage. We are only interested in the final results and we don't think we can achieve positive final results out there unless we do have good management.

Mr. Payne has returned now. I yield to Mr. Payne for questions.

Mr. PAYNE. Thank you very much, Mr. Chairman. I don't want to delay the hearing any longer, so I will not ask any questions. However, if I have any concerns, I will forward them to you. I would just like to say that it is extremely important, I feel, that the operation be streamlined and brought up to speed before passing of the ADA Act.

We had a very thorough and exciting hearing in Houston, Texas with people with disabilities from that region. I felt a tremendous amount of expectation, a tremendous amount of interest in the ADA bill. However, unless we have all of the cogs and wheels working properly, we will not be in position to fully implement the pending legislation. So, I would hope that the reports will be clearly studied, remedies made and perhaps, in the future have a follow up hearing to see whether these implementations have come to fruition.

Thank you, Mr. Chairman.

Chairman OWENS. Thank you. We also want to note that Mr. Gainer will be issuing the GAO report sometime soon. We look forward to that. This is one report that won't sit on the shelf and gather dust.

Dr. Davila has already indicated that he certainly will use it and we certainly will be following it very closely. The chair would like to note that the record will be left open for ten days for members who want to enter additional items or questions in the record. This applies to witnesses as well.

Thank you very much. The hearing is now adjourned.

[Whereupon, the hearing adjourned at 11:35 a.m.]

○

21-838 (128)